

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

Tuesday, February 13, 2018 – 7:00PM

1. PLEDGE OF ALLEGIANCE: Lead by Boy Scout Troop 174

Mayor Ryan called the meeting to order at 7:00pm.

2. ROLL CALL, AGENDA UPDATE

PRESENT: Mayor Ryan, Councilor Ripma, Councilor Lauer, Councilor Morgan, Councilor White, Councilor Allen, and Councilor Hudson.

ABSENT: None

STAFF: Ray Young, City Manager; Ed Trompke, City Attorney; Sarah Skroch, City Recorder; Chris Damgen, Community Development Director and Erich Mueller, Finance Director.

GUESTS: See Attached List.

Mayor Ryan asked, are there any agenda updates?

Ray Young, City Manager, replied there are no agenda updates.

3. PUBLIC COMMENT: Public comment is limited to comments on non-agenda items.

None.

4. CONSENT AGENDA:

4.1 MINUTES: January 9, 2018 City Council Regular Meeting.

MOTION: Councilor Morgan moved to approve the consent agenda. Seconded by Councilor Hudson. The motion passed unanimously 7-0.

5. PROCLAMATION: Proclaiming February 2018 as Scout Month.

Mayor Ryan read the Proclamation.

6. PRESENTATION: A presentation on Worksystems and Prosperity1000 legislative efforts.

Ray Young, City Manager, stated Andrew McGough is here from Worksystems Inc which is a 501(c)3 non-profit organization that pursues and invests resources to improve the

quality of the workforce in the City of Portland, Washington County and Multnomah County. Their mission is to coordinate a regional workforce system that supports individual prosperity and business competitiveness. They ensure that the public workforce system serves business by developing qualified employees and giving current and future workers the skills and support they need to successfully engage, advance and succeed in the labor market.

Andrew McGough, Worksystems Inc, stated we are the Workforce Development Board for the City of Portland, Multnomah County and Washington County. We're sort of part of a national workforce development strategy. We're actually authorized out of a piece of federal legislation called the Workforce Innovation and Opportunity Act known as WIOA. It's a relatively new piece of legislation that was authorized in 2014. It was one of the only major pieces of domestic legislation that was passed over the course of the Obama administration. On the policy side there's an acknowledgment that we need to make sure that the workers are prepared to do the jobs that are here now and in the future. We are authorized by this federal piece of legislation and then by the Governor to receive certain pots of money to invest. We kind of have 3 buckets of money for adults, dislocated workers and youth. We have 5 facilities across the 2 counties with the closest one being on 191st & Stark Street. The provider that we contract with provides services in that facility and Mount Hood Community College. It's one of the busier facilities in the state and probably the second busiest outside of Beaverton/Hillsboro and serves approximately 1000 people. They are busy facilities despite the turnaround in the economy. We're still seeing a continuous flow of traffic. Our focus is on trying to make sure that people have the skills to take advantage of the growing economy. We don't deliver direct services. We're basically like money managers. We receive the money, we design programs, develop procurements processes and contract to a variety of organizations like MHCC and PCC to actually deliver the services. My staff sort of evaluates the effectiveness of those and make sure they're complying. We're covered by a Board of Directors which consists of 3 elected officials which are the leadership of our organization. The idea is to create a table where a broad cross section of the community who have interest in workforce development can get together and really focus on conversations about solving broad workforce development issues. I gave you all a packet (handout included in the meeting packet) and I will just run through this quickly. There are 4 goals in there that you can look over. These are things we're doing to try and move toward those goals. We like to lead with business so we identify targeted industry sectors in the region based on growth projections and career path opportunities for people and sit down with them and talk about how we can work together and solve workforce problems. Our 4 targeted centers are manufacturing, healthcare, IT and construction. Each of those industries have a current plan with very specific goals. We're making some pretty good headway. We've trained around 1000 people in manufacturing jobs over the course of the last 2 years and a similar number on the construction part. In IT we're learning a lot about the industry and what they need so we haven't been quite as successful on the coding side but we're doing well on the hardware side. On the medical side there's a lot of change going on and we're learning about how to diversify the workforce with local workers. We recently received about a \$12 million grant from the Department of Human Services focused on low income people and transitioning them to jobs in the healthcare industry. Our partnership with the industry itself has been instrumental in making it happen. We spend about 7% of our

resources on administrative services. The bulk of my staff spend their time on coordinating activities. We have an 80/20 rule that we put in place a few years ago where 80 cents on every dollar needs to go out to the community. But it's those coordinating activities that really allow us to go out and look for additional resources and create the relationships and partnerships that we need to grow. We have a summer jobs program where employers can throw in as little as a couple thousand dollars to train a kid over the course of the summer. Last year we served about 1200 kids. It's a great program and there's lots of partnerships involved. We're excited about some new stuff we've got going on. The last thing I want to point out about our organization is sort of the outcomes. The thing that drives us is about placement in a job, wages and retention. Last year we served just under 80,000 people and 22,000 of those were placed in a job with an average wage of \$19.74 an hour. Putting people to work is a good thing and it's helpful all across the board. If you don't have any questions I'll get started on Prosperity 1000. It was initially intended to target East County because of the high concentrations of poverty in East County. Last session we got some traction but some of the state agencies weren't as supportive as I think they should've been but they've come around. We introduced it last session and we made a push and didn't get it. Worksystems went ahead and implemented this matching program anyway. Over the course of the last year we've been able to demonstrate that it in fact works. What the matching program is, is there's called a SNAP 50/50 program. It's part of the food stamp program and it's out of the Department of Agriculture. Essentially what it allows you to do if you have a non-federal investment for every dollar amount that you spend on SNAP recipients you get 50 cents back from the Department of Agriculture. Once you get that money back you can match it again. Last year, give or take, we raised about \$400,000.00 so we've been able to roll that back into community based organizations to expand services. I would be floored if Representative Reardon got the \$5 million but I think he will get something. I think our Multnomah County and Washington County legislators are behind this. One of the most interesting things I've come across is you can take a bus from the highest per capita income in the State of Oregon and 20 minutes later be in the lowest per capita income. That's from the West Hills in Portland to Rockwood essentially. The disparity is extraordinary. The reason we added in Washington County is because the second highest concentration of poverty of the State is in downtown Hillsboro. There are about 54,000 people in East Multnomah County that are in extreme poverty. There's only about 4,000 in the central core of Hillsboro but they're in extreme poverty as well. I was down in Salem and presented to the Committee last Thursday and they seemed receptive. There was an amendment going on so they couldn't move it onto the floor. I texted Representative Reardon right after the session and he thought it was excellent. It works for a lot of people.

7. RESOLUTION: A resolution approving the Limited Development Agreement with Yoshida Real Estate Holding XV LLC.

Councilor Allen stated I have a potential conflict I felt obligated to inform the public concerning this deal. I am being sued by the seller and I will be abstaining from voting tonight on this subject.

Erich Mueller, Finance Director, stated this is hopefully a final resolution. We've discussed this particular agreement briefly in the previous Council meeting. In the previous

resolution we had provided a draft limited development agreement as part of that packet to disclose what had been proposed and what had been in discussion. That agreement had not been agreed to by the time we had that last Council meeting. The agreement that's in your packet tonight has 3 differences and some grammatical corrections. One is that the maximum credit has changed from \$50,000.00 to \$100,000.00. We had proposed \$50,000.00 because based on our understanding of their informal plans we had estimated approximately \$37,000.00 credits they might be eligible for if those informal plans proceeded. We felt as though we wanted to provide some additional elbow room should their plans get larger. As part of the back and forth, they had come back and wanted to increase that cap to \$100,000.00. We think it's highly unlikely that they're going to get to \$50,000.00 unless there's a significant change in the plans they have for the property. The second change that was in the previous document was the timeframe. We had a 3 year expiration for the granting of the credit. In the previous document it started on December 20th which is the date that they had signed the purchase and sale agreement. One of the second changes that's in this document tonight is that they're sticking with the 3 years but they want the clock to start once the sale transaction actually closes. The third change is on the final page in that there's a signature on this one.

Paul Wilcox, Troutdale resident, stated I'm going to go back to resolution number 2405 that Council passed 3 weeks ago. There's one section that's actually directly related to this increase in the SDC credit. It's on page 2, section 2 and it reads, "The City hereby, approves the Limited Development Agreement between the City of Troutdale and Yoshida Real Estate Holding XV LLC, as in substantial conformity with Exhibit B of the Staff Report, but with any changes the City Official may approve, as long as changes do not increase the amount of SDC credit provided." From my perspective it seems that this change in the SDC credit essentially voids this previous resolution. I'm not sure that you can change part of a previous resolution without replacing the entire resolution. I kind of question why staff brought a resolution before you 3 weeks ago that was essentially incomplete. You have this SDC figure that wasn't firm. I don't know why it was submitted to the Council. Is this previous resolution still valid since you're changing part of it?

Ed Trompke, City Attorney, stated under the City Charter a resolution is different from an ordinance. You couldn't easily override a part of an ordinance which is a legislative action without reconsidering changing the text of it. A resolution is an administrative action and is more guidance to tell staff what to do and what to sign so it's less formal and it's possible to go forward and tell staff we're going to allow them to do something a little different than what we said to do before. We did say the last time we brought this forward that we had presented the limited development agreement to the Eastwinds people and had gotten a response from them that they wanted the forgiveness of SDC credit. We told you that if there were going to be any kind of change we would bring it back to you which is what we're doing tonight. It's consistent with what we were proposing the last time that you saw this. The PPA (Prospective Purchaser Agreement) was filed Friday by the Attorney General's office. The PPA is actually negotiated between the State, DEQ and the City. It's an agreement that a study will be done as to what kind of cleanup needs to be done on both the sewage treatment plant property and the Eastwinds property. Everybody agreed that a little more study was needed before we know what the complete scope of work will be and that was all set out in the agreement and labeled as a stipulated

judgment. That was filed Friday but it wasn't accepted by the Court until Monday so nothing happened on it until yesterday. I followed up today with it. The complaint was filed and the stipulated judgment was filed. I expect it will be signed by the Judge tonight or tomorrow. At that point the next thing that happens is Erich will get the bonds issued and we'll be able to start the cleanup. Everything is going as we had hoped. This is the other piece of it to make sure that the entire purchase agreement is now put to bed and we will in fact execute all of the agreements and close as soon as possible in March.

Councilor Ripma stated I'm satisfied that this agreement is within the scope of the resolution and the direction to staff. Paul read a section of the main resolution that specifically referred to no increase in cost or no increase in the amount the City pays, something along those lines. Just to be clear, I would like your explanation of why this is okay.

Ed Trompke stated the resolution you adopted was a direction to staff, specifically the City Manager, to execute an agreement and it said you're not authorized to sign it if it has any changes in the dollar amount of the SDC's that might be waived. That's why it's being brought back to change that number. It is specifically outside of his authority under the old resolution and it's specifically within his authority under tonight's resolution to sign the agreement.

Councilor Morgan asked, how many developers in the City have a carve-out for SDC's like this?

Erich Mueller replied at the moment I'm only aware of one.

Councilor Morgan asked, if this agreement is agreed upon and approved they would be the only developer the City will have a special carve-out for the SDC's rates?

Erich Mueller replied that is my understanding.

Ed Trompke stated there is something similar to the SDC waiver for some number of sewer hook-up fees. People were able to buy them long before my tenure here.

Councilor Morgan stated but they paid for them.

Ed Trompke stated they paid for them at a much lower rate. On this the developer is agreeing to pay for it at the current lower rate at the time of the development.

Ray Young stated we're not waiving SDC's for this developer. They are locking in the current SDC rates. They just won't pay the difference if they do something in the next 3 years. They're still paying SDC rates. It's just at the lower rate. And that's non-transferable.

Ed Trompke stated to Councilor Allen, I would never give a Councilor advice as to something that is Government Ethics Commissions but generally speaking, people who

recuse themselves don't take part in the discussion. Just be careful. I'm not telling you what to do though.

Councilor Allen stated I have a question for Councilor Morgan. Three of us on Council inherited the result of the LOI (Letter of Intent) and three of us voted no. You were a deciding vote. We're following the logical path of the LOI so I'm confused by your discussion. What is it you would rather us do?

Mayor Ryan stated let's move forward.

MOTION: Councilor Ripma moved adoption of the resolution approving the Limited Development Agreement with Yoshida Real Estate Holding XV LLC. Seconded by Councilor Lauer.

VOTE: Councilor Lauer – Yes; Councilor Morgan – No; Mayor Ryan – Yes; Councilor White – Yes; Councilor Hudson – Yes and Councilor Ripma – Yes.

Motion passed 5-1.

8. STAFF COMMUNICATIONS

Ray Young stated next Thursday at 6:00 in the evening at Fairview City Hall there will be a 3 Cities Council and Mayor meeting. You should be getting a notice of that in the next day or two with an agenda. We have a Council meeting on February 27th, a Work Session on March 6th regarding the architecture on the City Hall building and then we'll have a regular Council meeting on March 13th. There will be no Council meeting on March 27th because of spring break week. Monday is a holiday so the City offices will be closed. We had a Town Center Open House a couple weeks ago and 100 or so citizens and business owners came to that. We had a great response that night. If you go to troutdaletowncenter.info there's still a survey you can take if you would like to put some input into the Town Center Plan. Next, TriMet has informed us that beginning on March 5th Line 81 will now go to the TRIP property. There will be bus service to Fed-Ex and Amazon so that will be a great addition to that area. TriMet is also seeking any other comments that you might have and you can go online to trimet.org if you want to make any comments about it. On Monday, February 26th at 6:00pm at the Wood Village City Hall, Multnomah County is having a meeting on planned improvements to 238th, Arata Road and Sandy Boulevard and have some updates. I wanted to let you all know that one of you has exposed yourself in a very public way. You have put yourself in a very large centerfold of a prominent magazine and I think it's appropriate that we honor that individual tonight. The Mayor was in Oregon Banker magazine as their centerfold and they honored him as Banker of the Month.

Ed Trompke stated this is a personal staff report. Given what happened today up on Mt. Hood, I would personally like to thank the mountain rescue people for doing all that they do up there. An individual died up there falling almost in the exact same place I fell 3 years ago on the mountain. Those folks are very dedicated and they do a darn good job.

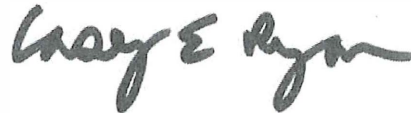
9. COUNCIL COMMUNICATIONS

Councilor White stated this is a public service announcement that tomorrow is Valentine's Day. I want to take a minute to recognize Wayne Thomas, Norm Thomas's son, for his volunteer work as a Scout leader. Thank you for all your hard work.

10. ADJOURNMENT

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

Meeting adjourned at 7:53pm.



Casey Ryan, Mayor

Dated: March 14, 2018

ATTEST:



Kenda Schlaht, Deputy City Recorder

