

**AGENDA**

**REGULAR CITY COUNCIL MEETING**

**September 10, 2018**

**5:30 p.m.**

**CITY HALL COUNCIL CHAMBER**

**313 COURT STREET**

**THE DALLES, OREGON**

1. CALL TO ORDER
2. ROLL CALL OF COUNCIL
3. PLEDGE OF ALLEGIANCE
4. APPROVAL OF AGENDA
5. PRESENTATIONS/PROCLAMATIONS

A. ODOT Construction Update – Brad Dehart

6. AUDIENCE PARTICIPATION

During this portion of the meeting, anyone may speak on any subject which does not later appear on the agenda. Five minutes per person will be allowed. If a response by the City is requested, the speaker will be referred to the City Manager for further action. The issue may appear on a future meeting agenda for City Council consideration.

7. CITY MANAGER REPORT
8. CITY ATTORNEY REPORT
9. CITY COUNCIL REPORTS
10. CONSENT AGENDA

Items of a routine and non-controversial nature are placed on the Consent Agenda to allow the City Council to spend its time and energy on the important items and issues. Any Councilor may request an item be “pulled” from the Consent Agenda and be considered separately. Items pulled from the Consent Agenda will be placed on the Agenda at the end of the “Action Items” section.

A. Approval of July 23, 2018 Regular City Council Meeting Minutes

**CITY OF THE DALLES**

*"By working together, we will provide services that enhance the vitality of The Dalles"*

- B. Amended Memorandum of Understanding with D21 Allowing Enterprise Zone Funds to be Used for Dry Hollow Elementary Drop Off Project
- C. Approval to Surplus Library Computers, five Portable Radios from the Police Department, Conference Table and Six Chairs
- D. Approval of Resolution No. 18-023 Concurring with the Mayor's Appointments to Various Committees
- E. Approval of Museum Commission Bylaws Update
- F. Hunt Request for Refund of Appeal Fees on 13<sup>th</sup> and Perkins

11. PUBLIC HEARINGS

- A. Informational Public Hearing Regarding Proposed Reimbursement Fees for the 18-inch Diameter Port Industrial Water Pipeline Reimbursement District
- B. Approval of Resolution No. 18-024 A Resolution Establishing a Reimbursment District for Water System Improvements From Webber Street to River Road; and Establishing Reimbursement Fees

12. ADJOURNMENT

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This meeting conducted in a handicap accessible room.

Prepared by/  
Izetta Grossman  
City Clerk

## I-84 Traffic Barrier Upgrades

*Last Updated: July 2018*

### Project overview

- Update substandard roadside guardrail ends on I-84 between Hood River and Arlington
- Upgrade substandard bridge rail to meet minimum standards on five bridges in Region 4
- Add protective rail screenings on three I-84 overpass bridge structures

### Why this project is needed

The section of I-84 that runs through Region 4 from Hood River to the east of Arlington has roadside barrier and guardrail ends that do not meet current Federal Highway Administration criteria. Several bridge structures in Region 4 also have substandard rail that does not meet current crash test criteria. These guardrail ends and bridge rails pose crash hazards to the public that can otherwise be avoided.

Additionally, adding protective rail screens to overpass bridges on I-84 will reduce the risk of objects and vehicles leaving the bridge, creating a safer interstate corridor for travelers.

### How ODOT plans to solve these problems

ODOT will upgrade substandard roadside barrier end treatment hardware on I-84 between Hood River and Arlington. Additional guardrail ends may also be evaluated and replaced as part of this project if funding allows. Additionally, substandard bridge rail on five bridges on I-84 in Central Oregon will be upgraded. Bridge rail retrofits will also include necessary updates to guardrail approaches, screening and the strength of the deck overhangs. Finally, protective rail screenings on three I-84 overpass bridge structures will be added.

#### *Project Timeline*

Project development: 2017-2018

Contract bid let: Fall 2018

Construction: Spring/Summer 2019

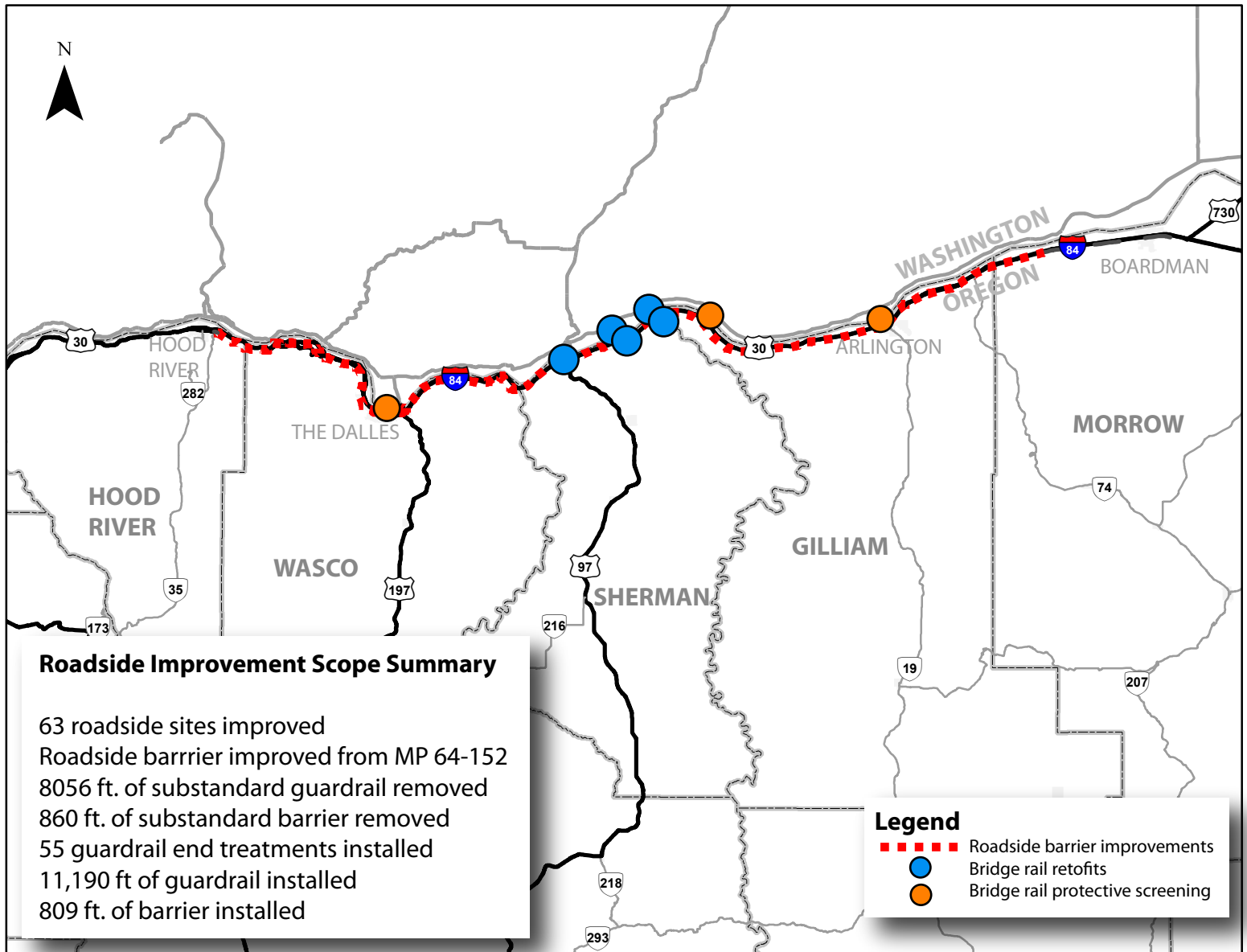
#### *Estimated Project Cost*

\$4.4 million

### Contacts

| Name           | Title             | Office Phone | Email Addresses  |
|----------------|-------------------|--------------|--|
| Brad DeHart    | Project Leader    | 541-296-2215 | <a href="mailto:Bradley.K.Dehart@odot.state.or.us">Bradley.K.Dehart@odot.state.or.us</a>   |
| Bob Townsend   | Area Manager      | 541-388-6252 | <a href="mailto:Robert.L.Townsend@odot.state.or.us">Robert.L.Townsend@odot.state.or.us</a> |
| Abbey Driscoll | Community Liaison | 541-388-6064 | <a href="mailto:Abbey.Driscoll@odot.state.or.us">Abbey.Driscoll@odot.state.or.us</a>       |

# I-84 Traffic Barrier Upgrades (K19928)



Locations for K19928: I-84: Traffic Barrier Upgrades

| BRIDGE | HIGHWAY            | ROUTE | MP BEGIN | MP END | LENGTH | COUNTY  | REG | SCOPE         |
|--------|--------------------|-------|----------|--------|--------|---------|-----|---------------|
| 02133A | 002 COLUMBIA RIVER | I-84  | 104.76   | 104.76 | 0      | SHERMAN | 4   | RAIL RETROFIT |
| 09232  | 002 COLUMBIA RIVER | I-84  | 109.76   | 109.79 | 0.03   | SHERMAN | 4   | RAIL RETROFIT |
| 09232A | 002 COLUMBIA RIVER | I-84  | 109.76   | 109.79 | 0.03   | SHERMAN | 4   | RAIL RETROFIT |
| 09225  | 002 COLUMBIA RIVER | I-84  | 109.95   | 109.95 | 0      | SHERMAN | 4   | RAIL RETROFIT |
| 09225A | 002 COLUMBIA RIVER | I-84  | 109.95   | 109.95 | 0      | SHERMAN | 4   | RAIL RETROFIT |
| 08805  | 002 COLUMBIA RIVER | I-84  | 85.51    | 85.51  | 0      | WASCO   | 4   | SCREENING     |
| 08944  | 002 COLUMBIA RIVER | I-84  | 123.31   | 123.31 | 0      | GILLIAM | 4   | SCREENING     |
| 09198  | 052 HEPNER         | I-84  | 0.29     | 0.34   | 0.05   | GILLIAM | 4   | SCREENING     |

# ODOT Region 4 Project Information

## Region 4 ITS Bundle

*Last updated: July 2018*

### Purpose of the project

The purpose of this project is to improve communication infrastructure on the state highway system throughout Central Oregon. By replacing and rehabilitating aging infrastructure and incorporating electronic and information technologies with Intelligent Transportation Systems (ITS), ODOT can advance safety, mobility, and environmental stability of our roadways while improving high-speed transportation connectivity.

### Need for the project

Keeping highways in good condition, and ensuring they are developed in contributing to a safe and efficient transportation system that supports livability and economic viability, is a primary aspect of ODOT's mission.

Intelligent Transportation Systems is the application of advanced technology to address transportation problems. Intelligent Transportation Systems makes use of advanced communication and computer technology to address these problems and enhance the movement of people and goods. ITS infrastructure can be categorized based upon the implemented application of the technology. Types of ITS technology include:

- Traffic incident management tools like cameras and ramp meters
- Road and weather management including Road Weather Information Systems and snow zone warnings
- Crash prevention and safety such as speed warning signs
- Traveler information like variable message signs and ODOT's TripCheck website

### Key project components

- Incident Response Cameras: Install video cameras with communications infrastructure at Lava Butte and along US 97/Bend Parkway.
- Illumination: Replace existing illumination with LED's on Brewery Grade over I-84.
- Road Weather Information Signs & Camera Upgrades: Purchase equipment and begin designing upgrades to current RWIS sites and cameras on US 97 in Shaniko, US 20 at Buck Creek and Riley Jct. and US 197 in The Dalles.

### Timeline and Cost

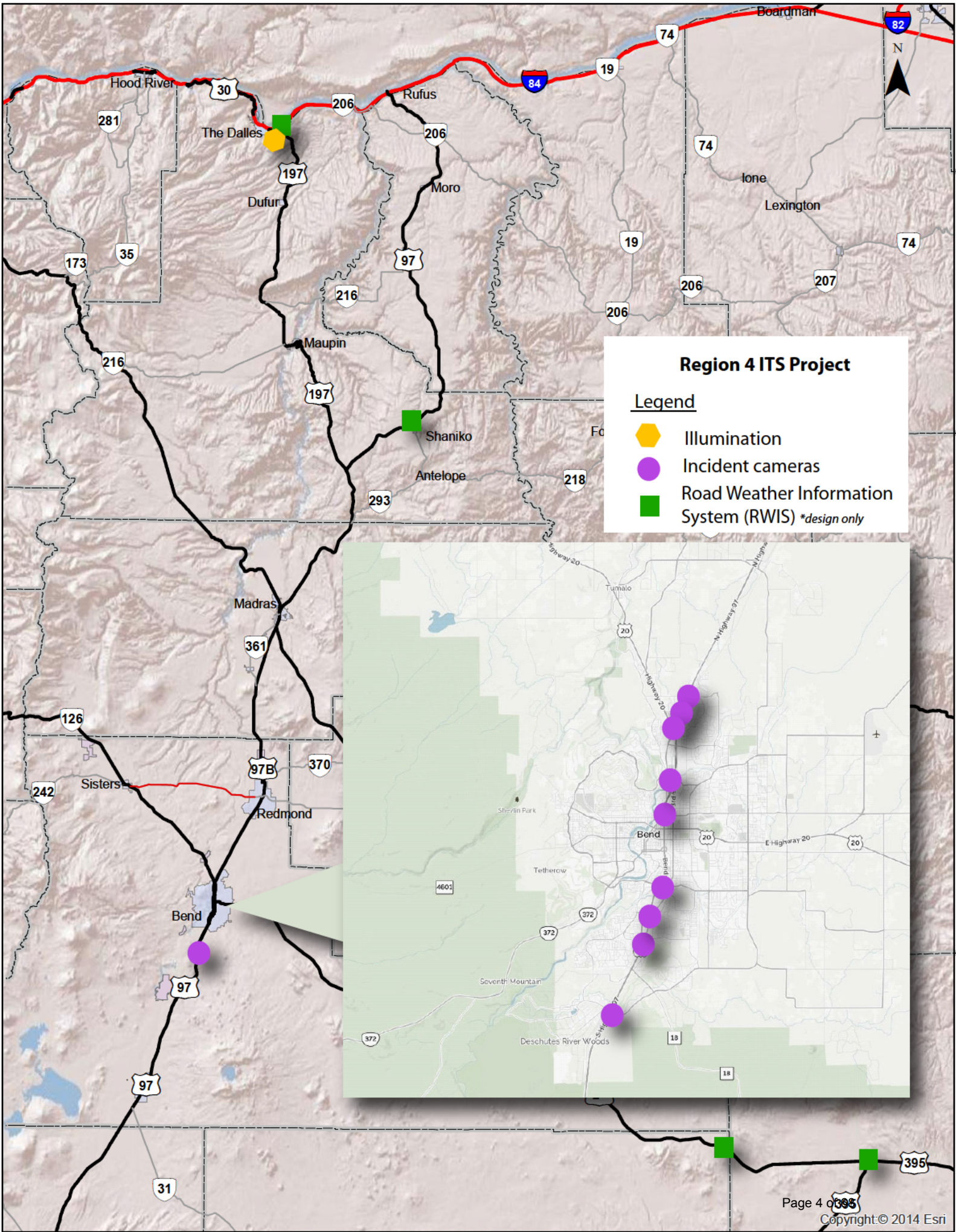
|                              |                               |
|------------------------------|-------------------------------|
| Project Development          | 2016 - 2018                   |
| Construction                 | First Phases starting in 2019 |
| Estimated Construction Cost: | \$1.6 million                 |

### Contacts

| Name           | Title             | Phone number | Email address  |
|----------------|-------------------|--------------|--|
| Cidney Bowman  | Project Leader    | 541-388-6420 | <a href="mailto:cidney.n.bowman@odot.state.or.us">cidney.n.bowman@odot.state.or.us</a>     |
| Bob Townsend   | Area Manager      | 541-388-6252 | <a href="mailto:robert.l.townsend@odot.state.or.us">robert.l.townsend@odot.state.or.us</a> |
| Abbey Driscoll | Community Liaison | 541-388-6064 | <a href="mailto:abbey.driscoll@odot.state.or.us">abbey.driscoll@odot.state.or.us</a>       |

For more information on this and other highway projects visit:

<https://www.oregon.gov/ODOT/Projects/Pages/default.aspx>





## AGENDA STAFF REPORT

**AGENDA LOCATION:** Item #10 A-E

**MEETING DATE:** September 10, 2018

**TO:** Honorable Mayor and City Council

**FROM:** Izetta Grossman, City Clerk

**ISSUE:** Approving items on the Consent Agenda and authorizing City staff to sign contract documents.

- A. **ITEM:** Approval of the July 23, 2018 Regular City Council Meeting Minutes.

**BUDGET IMPLICATIONS:** None.

**SYNOPSIS:** The minutes of the July 23, 2018 Regular City Council meeting have been prepared and are submitted for review and approval.

**RECOMMENDATION:** That City Council review and approve the minutes of the July 23, 2018 Regular City Council meeting minutes.

- B. **ITEM:** Approval of First Amendment to Intergovernmental Agreement between the City, Wasco County, and School District #21 concerning distribution and use of annual project fees paid pursuant to the Enterprise Zone Tax Abatement Agreement executed on September 24, 2013

**BUDGET IMPLICATIONS:** None

**SYNOPSIS:** The City, Wasco County, and School District #21 entered into an Intergovernmental Agreement (IGA) on May 8, 2014 setting forth the provisions for distribution and use of the annual project fees to be paid to the School District pursuant to the Enterprise Zone Tax Abatement Agreement executed on September 24, 2013. A copy of this IGA is included with this staff report.

The IGA provides it was the intent of the parties that for the first five years the School District received funds under the IGA, the funds would be used on curb appeal projects or projects related to the mandated change to the School District's mascot. The City Planning Commission voted on November 16, 2017 to modify Condition of Approval No. 13 for Conditional Use Permit No. 173-14 which had been issued to the School District for the placement of modular buildings at Dry Hollow Elementary School, to provide that in July 2018, the Planning Commission would conduct a hearing during which the School District would present a report as to the progress made in identifying a funding source for proposed capital improvements which are part of a long-term plan to address traffic safety issues associated with the drop-off and pick-up of students at Dry Hollow Elementary School. A copy of Condition of Approval No. 13 is enclosed with this staff report.

Legal counsel for Wasco County, School District #21 and City Attorney have negotiated the terms for a First Amendment to the May 8, 2014 IGA that would modify the IGA to allow funds paid pursuant to the September 24, 2014 Enterprise Zone Tax Abatement Agreement to be used for capital projects which are part of a long-term plan to address traffic safety issues associated with the drop-off and pick-up of students at Dry Hollow Elementary School. If the Council approves the First Amendment to be signed by the Mayor, City Clerk, and City Attorney, the amendment will be forwarded to Wasco County and School District #21 for their review and approval.

**RECOMMENDATION:** Authorize the Mayor, City Clerk, and City Attorney to execute the First Amendment to the Intergovernmental Agreement between the City, Wasco County, and School District #21 concerning distribution and use of annual project fees paid pursuant to the Enterprise Zone Tax Abatement Agreement executed on September 24, 2013.

C. **ITEM:** Approval to Surplus Library Computers, five Portable Radios from the Police Department, Conference Table and Six Chairs

**BUDGET IMPLICATIONS:** None

**SYNOPSIS:** The Library has 4 Dell Monitors and 10 PC's that have no useful life. Staff requests authorization to donate or dispose of property.

The Dalles Police Department would like to surplus five portable police radios described as "Motorola Brand, XTS 1500". About a year ago, the Police Department received a complete radio upgrade from these model radios; leaving these radios in storage since that time. Captain Jamie Carrico was contacted by Chief Deputy Williams of the Wasco County Sheriff's Office (WCSO) and asked if we would be able to surplus five of these radios to the WCSO. The WCSO still uses this make and model of portable police radio. With the surplus of these five radios, valued at a total of about \$2500, the Police Department would still have possession of about 20 of these radios which will remain in storage as backup. The Police Department will donate radios to the WCSO.

The City has an old conference table and six chairs that have no useful live for City needs. Staff requests permission to donate table and chairs to the ReStore It Store.

**RECOMMENDATION:** That Council approve surplus of Library Computers; Police Radios, and a conference table and chairs.

D. **ITEM:** Approval of Resolution No. 18-023 Concurring with the Mayor's Appointments to Various Committees or Commissions

**BUDGET IMPLICATIONS:** None

**SYNOPSIS:** Resolution No. 18-002 Concurring with Mayor's Appointments to Various Committees has been prepared and submitted for approval.

**RECOMMENDATION:** That City Council review and adopt the resolution.

E. **ITEM:** Hunt Request for Refund of Appeal Fees on 13<sup>th</sup> and Perkins

**BUDGET IMPLICATIONS:** None

**SYNOPSIS:** Steve Hunt, 1311 Perkins Street, The Dalles, has submitted a refund request of the \$380.00 appeal filing fee (Appeal No. 32-18), appealing the Planning Commission's approval of Adjustment No. 18-037 and Minor Partition No. 349-18.

City of The Dalles Municipal Code Section 10.3.020.080(I) Appeal Procedures, establishes the following procedures to consider requests to refund appeal fees:

- I. Refund of Appeal Fee. An applicant can request a refund of an appeal fee by letter submitted to the Community Development Department within 10 days after the appeal is determined. The letter shall state in detail the reason for the requested refund. Staff shall prepare a report and send the letter and report to the City Manager. The City Manager may consider the letter, the staff report, and any other factors in making a recommendation. The City Manager's recommendation shall be submitted for action on the City Council's consent agenda. No public hearing is required. Final action on the request shall be taken by the City Council.

Mr. Hunt filed his refund request with the Community Development Department on July 20, 2018 (see attachment); within the required ten day filing period following determination of the appeal (July 9, 2018). The reasons for the refund request are stated in the submitted letter. Mr. Hunt cites that ...

"Had the above sections of the Municipal Code been applied to the Adjustment Application when it was first submitted, the Adjustment Application would have been rejected by virtue of its purpose as stated on the Application, a clear increase

in dwelling units (density) in the RL Zone.”

Adjustment Application No. 18-07, Minor Partition No. 349-18 and PC Resolution No. 575-18 were approved by the Planning Commission at a properly noticed public hearing on May 3, 2018. Following the properly noticed public hearing on June 25, 2018, the City Council denied Appeal No. 32-18, and directed staff to prepare a resolution affirming the Planning Commission’s approval decision. City Council Resolution No. 18-021, approved by the Council on July 9, 2018, establishes the “Findings of Fact and Conclusions of Law”, which in part state that the applications were filed, reviewed and approved in accordance with the provisions of Municipal Code Title 10 Land Use and Development.

**RECOMMENDATION:** The purpose of paying a fee for any land use action is to offset the cost of processing an application. This fee is much less than actual cost of time to process the appeal. Staff recommends that the refund request be denied.

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MINUTES  
REGULAR CITY COUNCIL MEETING  
OF  
July 23, 2018  
5:30 p.m.

THE DALLES CITY HALL  
313 COURT STREET  
THE DALLES, OREGON

**PRESIDING:** Mayor Pro Tem Tim McGlothlin

**COUNCIL PRESENT:** Russ Brown, Linda Miller, Darcy Long-Curtiss, Taner Elliott

**COUNCIL ABSENT:** Mayor Lawrence

**STAFF PRESENT:** City Manager Julie Krueger, City Attorney Gene Parker, City Clerk Izetta Grossman, Finance Director Angie Wilson, Planning Director Steve Harris, Public Works Director Dave Anderson, Police Chief Patrick Ashmore, Human Resources Director Daniel Hunter, Assistant to the City Manager Matthew Klebes

Number of people present: 6

**CALL TO ORDER**

The meeting was called to order by Mayor Pro Tem McGlothlin at 5:30 p.m.

**ROLL CALL**

Roll call was conducted by City Clerk Grossman, all Councilors present.

**PLEDGE OF ALLEGIANCE**

Mayor Pro Tem McGlothlin invited the audience to join in the Pledge of Allegiance.

### **APPROVAL OF AGENDA**

Mayor Pro Tem McGlothlin added Item #5 Presentation Columbia Gorge Community College – Workforce Project Update. It was moved by Elliot and seconded by Brown to approve the agenda as amended. The motion carried unanimously.

### **PRESENTATIONS**

Columbia Gorge Community College – Workforce Project Update. Dan Spatz reviewed the handout (attached) regarding the regional skill center.

He said the College Board had not made a final decision. He said he anticipated he would be presenting the Council with a funding request at a later date.

In response to a question Spatz said there were three sites at the College with infrastructure in place. He said two would be used for housing, and one for the skill center.

Spatz said the College was working with District 21 to avoid a duplication of effort.

### **AUDIENCE PARTICIPATION**

Lisa Farquharson, Chamber President, reported that a new bus service was available to bring people from Hood River to The Dalles on Saturdays, from July 21 through September 15. She said hop on hop off service within The Dalles was free.

Farquharson provided a schedule and photo of the bus (attached).

### **CITY MANAGER REPORT**

City Manager Julie Krueger handed out the notice of the City's Enterprise Zone redesignation from the State (attached). She thanked Assistant to the City Manager Matthew Klebes and Carrie Pipinich from Mid-Columbia Economic Development District for their work on the redesignation.

### **CITY ATTORNEY REPORT**

City Attorney Gene Parker reported that the advertisement for the part time paralegal had been distributed.

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He said he had a conference call scheduled to review the BOLI letter regarding the Tokola project.

### **CITY COUNCIL REPORTS**

Councilor Elliott reported on attending the Urban Renewal meeting. He said there are two buildings for sale under negotiations. He said he would attend the upcoming QLife meeting.

Councilor Miller reported attending the Urban Renewal meeting.

Councilor Long-Curtiss reported she would attend the upcoming QLife meeting. She said she had attended the Urban Renewal meeting.

Long-Curtiss reported that after the last Council meeting she was speaking with Mr. Maia and witnessed a verbal altercation between Robert Bart, Mr. Blum's partner and Mr. Maia. She said there were threats of "burying in legal fees" if they appealed through LUBA.

Councilor McGlothlin reported that the airport is looking at metering all the water lines at the airport. He said the Fly In was a success.

He said as a point of clarification the City has no oversight of Mid-Columbia Fire and Rescue.

### **CONSENT AGENDA**

It was moved by Long-Curtis and seconded by Elliott to approve the Consent Agenda as presented. The motion carried unanimously.

Items approved by Consent Agenda were: 1) Approval of July 9, 2018 Regular City Council Meeting Minutes.

### **CONTRACT REVIEW BOARD ACTION**

#### **Award Contract for Janitorial Services for State Office Building**

City Attorney Parker reviewed the staff report.

In response to a question City Manager Krueger said the increase of \$11,000 was a different contractor.

City Attorney Parker said the current contractor was informed they did not have the licensing required by the State. He said they didn't provide proof of insurance, nor did they bid the job.

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It was moved by Miller and seconded by Brown to approve the authorize the City Manager to enter into a contract with Thomas Metelak dba Reflective Janitorial for janitorial services for the State Office Building in an amount not to exceed \$55,665.00. The motion carried unanimously.

### Consider Authorizing Purchase of Two Spare Pumps for the New Clarifier being constructed at the Wastewater Treatment Plant

Public Works Director Dave Anderson reviewed the staff report.

Elliott asked if he needed to abstain because he does work on the project.

City Attorney Parker said he did not.

It was moved by Brown and seconded by Miller to Authorize the purchase of spare RAS and WAS pumps for the new Clarifier #2 from Apsco LLC in an amount not to exceed \$55,199.00. The motion carried unanimously.

## **ACTION ITEMS**

Adoption of Resolution No. 18- 022 A Resolution of the City Council Denying Appeal #31-18 of Planning Commission Resolution No. P.C. 574-18 and Affirming the Planning Commission's Decision Approving Minor Partition No. 349-18 and Adjustment No. 18-036 of Jonathan Blum to Partition one 8,778 Square Foot Lot into Two 4,389 Square Foot Lots, Reducing the Minimum Lot Size from 5,000 Square Feet and the Minimum Lot Width From 50 feet to 46 feet on Property Located at 1605 East 19<sup>th</sup> Street

City Attorney Parker reviewed the staff report.

Long-Curtiss said her ex parte discussion had been exposed earlier in the meeting.

Miller said she had done some research and wanted to change her vote.

City Attorney Parker said the process wasn't complete until Council adopted the Resolution.

It was moved by Long-Curtiss and seconded by Elliott to postpone a decision on Resolution No. 18-022 Denying Appeal #31-18 and Affirming the Planning Commission's Decision Approving Minor Partition No. 349-18 and Adjustment #18-036 of Jonathan Blum to Partition One 8,778 Square Foot Lot into Two 4,389 Square Foot Lots, to Reduce the Minimum Lot Size from 5,000 Square Feet and to Reduce the Minimum Lot Width from 50 Feet to 46 Feet on Property Located at 1605 East 19th Street.

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City Attorney Parker said the timeline would expire before the September 10 Council meeting.

City Manager Krueger asked what findings weren't meeting the criteria. She said staff needed to know what to bring back to Council for further discussion.

Long-Curtiss said it was an important decision, postponing would give Council time to look at it closer.

Elliott said Planning Director Harris said the partition met the criteria of lots per acre. Elliott said it would increase in density in a RL Zone.

Long-Curtiss said Council kept saying we "had" to vote for the partition. She said that was not the case.

Elliott said he didn't think it was a black and white decision.

City Attorney Parker said the LUDO states density increase do not apply to partitions.

In response to a question Parker said CC&R's are a private matter and are not the business of the City. He said there was not a formal Home Owner's Association.

Long-Curtiss withdrew her motion.

It was moved by Miller and seconded by Brown to adopt Resolution No. 18-022 Denying Appeal #31-18 and Affirming the Planning Commission's Decision Approving Minor Partition No. 349-18 and Adjustment #18-036 of Jonathan Blum to Partition One 8,778 Square Foot Lot into Two 4,389 Square Foot Lots, to Reduce the Minimum Lot Size from 5,000 Square Feet and to Reduce the Minimum Lot Width from 50 Feet to 46 Feet on Property Located at 1605 East 19th Street. The motion carried; Long-Curtiss and Elliott opposed.

### Identify Legislative Priorities for 2019 Legislative Session For League of Oregon Cities

City Manager Krueger reviewed the staff report.

It was the consensus of the Council to approve the staff recommendation.

### Approval of ASOS Weather Station Lease with Federal Aviation Administration at Columbia Gorge Regional Airport

City Attorney Parker reviewed the staff report.

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In response to a question Airport Manager Chuck Covert said the system was installed in 2002.

It was moved by Long-Curtiss and seconded by Elliott to approve the Lease with the Federal Aviation Administration for the ASOS weather station, and authorize the Mayor to sign the lease. The motion carried unanimously.

**ADJOURNMENT**

Being no further business, the meeting adjourned at 6:31p.m.

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Submitted by/  
Izetta Grossman  
City Clerk

SIGNED:

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Stephen E. Lawrence, Mayor

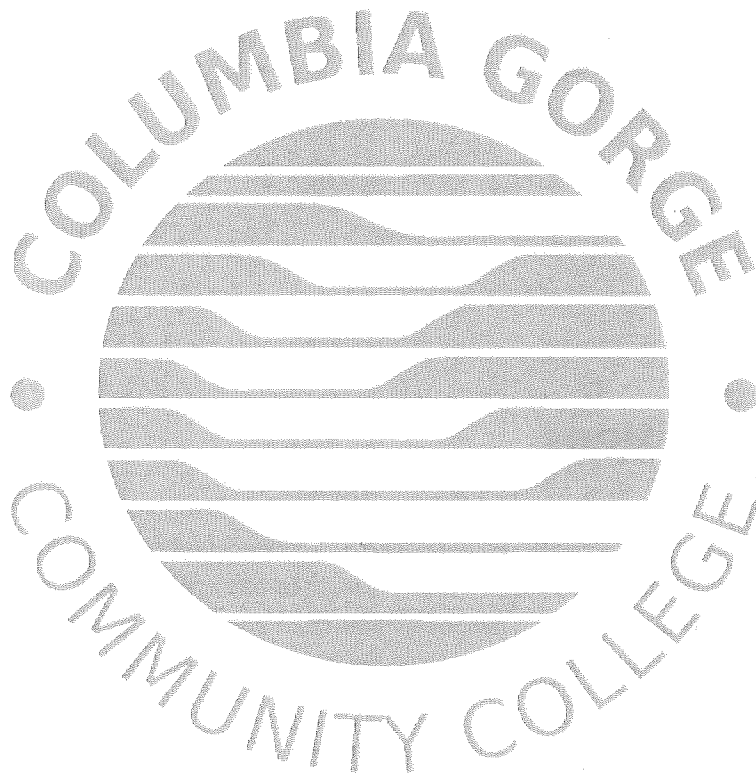
ATTEST:

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Izetta Grossman, City Clerk

February 2018

# **The Dalles On-Campus Housing Economic Feasibility Study**



Prepared By



[www.lelandconsulting.com](http://www.lelandconsulting.com)

## Introduction

Leland Consulting Group was engaged by Columbia Gorge Community College (CGCC) in December 2017 to assess the feasibility of developing housing on the The Dalles campus of the College. The housing is intended to serve primarily students, but also possibly a limited number of staff, faculty and perhaps meet the seasonal needs of other non-student markets, during summer term, when student occupancy is at its lowest point.

The housing will be an integral part of a larger project that would also include training Skills Center. Funding for the housing and the Skills Center are "linked to the authorization by the Oregon State Legislature for \$7.32 million in state bonding capacity, via Article XI-G of the Oregon Constitution, for construction of a Skills Center as a prototype facility in conjunction with North Wasco County School District 21. The Skills Center must focus on grades 11-14 and the transition between high school and post-secondary education." *Source: CGCC Request for Qualifications and Proposals 2017-03, November 30, 2017.*

In order to access the State funds, the College must raise matching funds of \$7.32 million, resulting in a total minimum project investment of \$14.64 million. An investment of at least \$7.32 million in campus housing qualifies as matching funds and triggers access to the bond revenue for the Skills Center. Other State funding sources cannot be utilized for matching funds.

The methodology for assessing the need and the feasibility of campus housing at CGCC includes:

- Describing the opportunities and challenges associated with housing on the CGCC campus.
- Identifying the target markets that would be served.
- Presentation of the results of a survey of the community, CGCC students, their parents, and prospective students and their parents, conducted by CGCC and completed in January 2018.
- Surveying the characteristic and cost of privately owned off-campus housing conditions in the local market.
- Student housing case studies at six other community colleges.
- Recommending a development program for the site.
- A financial analysis of the proposed venture (under separate cover).

This report summarizes Leland Consulting Group's findings and recommendations. This analysis has been completed in order to provide an independent, third party evaluation of the market potential for campus housing, together with the projected financial performance of the proposed venture.

## Study Objectives

The goal and intent of this engagement is to prepare an analysis that provides a thorough understanding of the market, together with the derivation of pragmatic business strategies and a market driven development program that meets the needs of identified target markets.

The above stated objectives of this assignment are derived within the context of CGCC's broader objective of remaining competitive, growing the college, and continuing to serve the educational needs of the region they serve. The need for campus housing is based on testing the following premises:

- Marital/family status:
  - 75 percent – single
  - 25 percent – married/partnered
  - 35 percent – single and married/partnered couples with child(ren) or dependent(s)
- Enrollment status of the students surveyed:
  - 62 percent – full-time students
  - 38 percent – part-time students
- Age group:
  - 57 percent – 18 to 24 years
  - 17 percent – 25 to 29 years
  - 26 percent – 30 years and older

Selected results of this survey are interspersed throughout this report based on subject matter. A complete copy of the survey report is available through the Marketing and Community Outreach Department of CGCC under separate cover.

## Executive Summary

The decision as to whether to build campus housing at CGCC is driven by the vision and objectives of the College with respect to growth, which has implications for additional student enrollment, curriculum, faculty, staff, and perhaps other physical facilities, like the Skills Center. If it is the College's objective to grow its student body and staff, a strategic growth plan needs to be implemented that is future oriented and proactive, not reactive.

Maintaining or increasing enrollment, particularly during economic cycles, will most likely necessitate an expansion of the geographical market area currently served by the College. Campus housing is an important ingredient to expanding this market.

Thus, CGCC is facing a challenge.

- The College is currently operating at approximately 31 percent under capacity (the ratio of current FTE to FTE capacity).
- While this condition can probably be explained by the inverse relationship between community college attendance and the health of the economy, the financial performance at any college is maximized when operating at capacity.
- The question facing CGCC is what strategies need to be employed to increase market share and student enrollment? Growth has become even more difficult given the national trend of declining college enrollment.

*"Enrollment numbers in higher education have fallen for five consecutive years. The decline in college-going students has hit small colleges. Nearly one-third of small colleges operated with a budget deficit last year." Source: The Atlantic; Why Universities are Phasing Out Luxury Dorms. August 21, 2017.*

- While the absence of campus housing represents a challenge for CGCC, it also presents an opportunity. The addition of campus housing would:
  - Enable the College to increase market penetration and market share.
  - Expand the market geographically outside of the local region (current primary market area).
  - Gain a competitive advantage.
  - Differentiate itself from the competition.
- The location of CGCC in a National Scenic area, coupled with the College's reputation, could place CGCC in a much stronger competitive position in the market with on-campus housing. The most logical markets for expansion include:
  - The Portland region.
  - The Puget Sound region.
  - The international market is particularly fertile as demonstrated by what Everett Community College has accomplished (international students are 54 percent of their student body).
- The potential market depth from high school graduates in the primary market area is approximately 328 students per year over the next five years.
- Seasonal non-student markets that could be tapped to increase occupancy during summer term include:
  - Seasonal farmworkers.
  - Interns at the local hospital in The Dalles.
  - Winery intern programs at the Maryhill Winery in Goldendale, Washington.
  - Firefighters on call in Dallesport to fight wild fires.
  - Housing rentals by the night.
- There is a severe shortage of rental housing in The Dalles. A new market rate apartment has not been constructed in many years.
- A survey of nine local market rate apartments was completed with a total of 285 units.
  - Pent up demand is clearly present and the regional market is severely under supplied.
  - Occupancy is at or near 100 percent.
  - Rents average \$866 per month (\$1.09 per square foot).
  - Low rents will not support the cost of new construction.
  - The design, finishes, and amenities are not up to the standards of a modern apartment.
  - Some apartment managers are unwilling to rent to college students if they are not living with an adult.
- Market or housing need is a confusing term. How is need defined and can it be quantified?
  - Need is often confused with market demand. It is a given the market exists. The market consists of people who buy goods and services. In this case the market is a student(s) who decides to attend a community college. For a college, the depth of the market is only limited by the geographical market area it serves.
  - Need should be viewed differently than demand. In the case of CGCC, campus housing may be a "strategic need" or part of multiple strategies that could be implemented to expand the

- The three-story building, above the daylight basement, would accommodate:
  - Eighteen four-bedroom, two-bath units (quads) with 72 rooms/beds (six units with 24 beds per floor).
- A one-bedroom apartment and eight studio apartments are recommended for the daylight basement.
  - The one-bedroom apartment and two studios would accommodate a resident manager and two assistants.
  - Six of the studio apartments would be available for rent by married students, faculty, or staff.
- The methodology for determining the number of units and beds was to solve for the building size that could be delivered for a cost of approximately \$7.3 million, which is the amount of matching funds required to access the funds for the Skills Center.
- A laundromat and a manager's office would be located on the first floor.
- Average annual occupancy, once stabilized, is estimated at 92 percent, assuming 75 percent occupancy in the summer and 95 percent occupancy the rest of the year.

## Market Area

A primary market is defined as the geographical area from which approximately 80 percent of the student body at CGCC originates. The balance of the market comes from secondary and tertiary markets. The following shows the origin of students enrolled from the summer of 2016 through the spring of 2017, the latest period for which this data is available.

Table 2. Geographical Origin of Student Body

|                           | Student Enrollment | Percent       |
|---------------------------|--------------------|---------------|
| <b>Primary Market</b>     |                    |               |
| Wasco (Oregon)            | 400                | 40.2%         |
| Hood River (Oregon)       | 279                | 28.0%         |
| Klickitat (Washington)    | 191                | 19.2%         |
| <b>Subtotal</b>           | <b>870</b>         | <b>87.4%</b>  |
| <b>Secondary Market</b>   |                    |               |
| Sherman (Oregon)          | 25                 | 2.5%          |
| Skamania (Washington)     | 25                 | 2.5%          |
| Gilliam (Oregon)          | 20                 | 2.0%          |
| Wheeler (Oregon)          | 11                 | 1.1%          |
| <b>Subtotal</b>           | <b>81</b>          | <b>8.1%</b>   |
| <b>Tertiary Market</b>    |                    |               |
| Other Oregon Counties     | 31                 | 3.1%          |
| Other Washington Counties | 8                  | 0.8%          |
| Out of States of OR & WA  | 5                  | 0.5%          |
| <b>Subtotal</b>           | <b>44</b>          | <b>4.4%</b>   |
| <b>Total</b>              | <b>995</b>         | <b>100.0%</b> |

*From Summer of 2016 through Spring of 2017*

*Source: CGCC*

- Place of residence and the high number of students living with friends or family is consistent with the previous findings whereby 87 percent of the CGCC student population is living in, or is derived from, the three-county area of Wasco, Hood River, and Klickitat Counties (primary market area).

## Market Demographics

A summary of the demographics of the primary and secondary market areas is shown below. A more detailed assessment of these demographics is contained in Appendix A at the back of this report.

Table 3. Demographics of Primary and Secondary Markets

|                                      | Primary<br>Market | Percent | Secondary<br>Market | Percent |
|--------------------------------------|-------------------|---------|---------------------|---------|
| <b>Population 2017</b>               | <b>71,575</b>     |         | <b>28,109</b>       |         |
| Projected Population 2022            | 74,768            |         | 28,585              |         |
| Average Annual Increase              | 639               | 0.83%   | 95                  | 0.34%   |
| Per Capita Income (2017)             | \$25,284          |         | \$26,270            |         |
| Median Age                           | 43.0              |         | 43.4                |         |
| Population inside Urbanized Areas    | 37,577            | 52.5%   | 6,212               | 22.1%   |
| Population in Rural Areas            | 33,998            | 47.5%   | 21,897              | 77.9%   |
| <b>2017 Households</b>               | <b>29,096</b>     |         | <b>10,984</b>       |         |
| Average Household Size               | 2.46              |         | 2.56                |         |
| Median Household Income (2017)       | \$48,297          |         | \$52,016            |         |
| Average Household Income (2017)      | \$63,773          |         | \$67,052            |         |
| <b>Occupied Housing Units (2017)</b> | <b>27,955</b>     |         | <b>10,923</b>       |         |
| Owner Occupied                       | 17,975            | 64.3%   | 7,635               | 69.9%   |
| Renter Occupied                      | 9,980             | 35.7%   | 3,288               | 30.1%   |
| Average Home Value                   | \$301,248         |         | \$250,407           |         |

Source: ESRI

There are no major demographic differences between the two market areas other than 78 percent of the population in the secondary market live in rural unincorporated areas compared to 48 percent in the primary market.

- The population in the primary market is 155 percent larger than the secondary market.
- Projected growth is higher in the primary market.
- The average and median incomes in the primary market are seven percent and five percent lower respectively.
- The percentage of rental occupied households is higher in the primary market, most likely because the population living in urbanized areas is greater in the primary market.

Table 4. Age Distribution of Students - CGCC

| Age          | Distribution  |
|--------------|---------------|
| Less than 18 | 4.5%          |
| 18-22        | 53.0%         |
| 23-29        | 20.0%         |
| 30-39        | 13.0%         |
| 40-49        | 6.0%          |
| 50 and Over  | 3.5%          |
| <b>Total</b> | <b>100.0%</b> |

The population of the primary market area is only expected to grow at a rate of approximately 639 persons per year over the next five years. However, the population in the age group from 15-34 is forecasted to grow only 11 persons per year from 2017 through 2022 and the age group from 15-24, the most fertile market for new students at CGCC, is projected to decline by 33 persons per year over the next five years. Thus, the College will have to increase its market share in the primary market to maintain current enrollment, or expand its geographical market area.

Table 5. Forecasted Population for 15-34 Age Group

| Primary Market Area   | 2017          | 2022          | Change    |
|-----------------------|---------------|---------------|-----------|
| Total Population      | 71,575        | 74,768        | 3,193     |
| Annual Average Change |               |               | 639       |
| Annual Growth Rate    |               |               | 0.88%     |
| <b>Age Group</b>      |               |               |           |
| 15-24                 | 8,016         | 7,851         | -165      |
| 25-34                 | 8,231         | 8,449         | 218       |
| <b>Total</b>          | <b>16,247</b> | <b>16,300</b> | <b>53</b> |
| Annual Average Change |               |               | 11        |
| Annual Growth Rate    |               |               | 0.65%     |

Source: ESRI

If the historical geographical primary market area and age distribution remains the same in the future, CGCC is facing a static or contracting market. Increasing the College's share of this market could be difficult and expensive, since market share is already very high. A potentially declining local/regional market is disturbing, especially when facing a market where nationally college enrollment is also declining.

The addition of the skill center is a capacity increase that may require an increase in the number of students attending the College. Strategically, barriers to geographical expansion of the market area need to be identified and removed in order to grow. The housing problem in The Dalles is a barrier that is not likely to be alleviated in the foreseeable future.

Campus housing is also a key component for student retention, especially in the case of CGCC where the majority of the off-campus rental housing inventory is inconveniently located, unavailable, old, and often in poor condition. National surveys show students have a strong preference for newer more modern housing within walking distance to campus.

Table 6. Furthest Distance Students Will Commute

| One - Way Commute  | Percent |
|--------------------|---------|
| A couple of blocks | 15%     |
| 1 mile             | 16%     |
| 2 miles            | 16%     |
| 3 miles            | 14%     |
| 4 miles            | 6%      |
| 5 miles            | 10%     |
| More than 5 miles  | 22%     |

Source: Apartment Trends; August 5, 2013

A second survey of 200 students at Broome Community College in the State of New York shows similar results. Commute time for 70 percent of the students surveyed was 30 minutes or less. Only four percent of the students had a commute of more than 50 minutes. The approximate commute time from Hood River to the CGCC campus is just over 30 minutes.

Table 7. Student Commute Times

| One - Way Commute    | Percent    |
|----------------------|------------|
| Less than 5 minutes  | 2%         |
| 5-10 minutes         | 15%        |
| 11-20 minutes        | 35%        |
| 21-30 minutes        | 19%        |
| <b>Subtotal</b>      | <b>70%</b> |
| 31-40 minutes        | 12%        |
| 41-50 minutes        | 14%        |
| More than 50 minutes | 4%         |
| <b>Subtotal</b>      | <b>30%</b> |

Source: Market Study for Student Housing;  
Broome Community College; 2011

It can be concluded that commute time and distance between a student's residence and the college they attend is a major factor in selecting a college. It also indicates that the reason 87 percent of the CGCC market area is within the three closest counties surrounding The Dalles is probably due to commute time, distance outside of these three counties, and the availability and lack of suitable housing in The Dalles and Hood River.

An additional challenge for colleges wanting to build student housing is the unprecedented increase in construction costs.

*"What are the biggest challenges to providing student housing? The increased cost of construction has been a big challenge over the last two years and because construction costs are up, we're also shrinking some of our unit sizes." Source: Urban Land; Industry Outlook for Student Housing; ULI; August 1, 2016*

Students 24 years of age and younger represent 68 percent of the student body at CGCC. A national survey conducted by the American Association of Community Colleges shows that 67 percent of all community college students are under the age of 24.

It is highly probable a higher proportion of students over the age of 24 are part-time students, they are more likely to be married, and they may have children. Thus, it can be assumed that conservatively approximately 60 to 70 percent of the student body at CGCC could be candidates for on-campus student housing.

Some of these students may be living with their parents or other relatives. Surveys show that most students who live with their parents while attending college do so out of financial necessity, not out of preference. However, in the case of CGCC necessity could be driven by the lack of suitable, secure, off-campus housing within a reasonable distance of the campus, rather than necessity.

It is interesting to ponder the question of how influential parents are in the housing decision? In a survey conducted for Broome College in December in 2011 the following questions was asked: "Please rate how important each of the following factors was in your decision on where to live this year; Parents or family's wishes." A total of 181 students responded to this questions. *Source: Broome Community College; Market Study for Student Housing; Brailsford & Dunlavey; October 2011.*

- 21.0 percent – very important
- 25.4 percent – important
- 24.9 percent – unimportant
- 28.7 percent – very unimportant

Although the survey does not specify who is paying for the student's college, it is logical to assume that if the student is paying their own college tuition, their parent's influence over where they live is likely to be far less.

#### Key Findings: CGCC Survey Pertaining to Parents Influence in Housing Decision

- Among current and prospective students, 50 percent indicated they alone would make the decision on where they will or would live while attending CGCC. Twenty-four percent said it would be a joint decision with their parents or spouse. Only nine percent indicated their parents would make the decision.

## Graduating High School Seniors

According to national statistics from the Bureau of Labor Statistics, in 2016:

- 30.2 percent of students graduating from high school did not enroll in college.
- 23.7 percent enrolled in a two-year college.
- 46.1 percent enrolled in a four-year college.

However, students graduating from high schools in more rural communities are more likely to attend a two-year college, compared to students living in larger metro areas. Surveys show 30.1 percent of students graduating from more rural counties attend two-year colleges. *Source: The Hechinger Report; April 11, 2017.*

- The Mid-Columbia Fire Department has a state grant to pay the tuition at CGCC for six students. They attend CGCC and work shifts at the fire department in exchange for their tuition. The program has faltered because these students have had to commute from Portland and it has become difficult to find students willing to commute.
- Pilots in training: The Columbia Gorge Regional Airport has six to 12 pilots in training at the airport throughout the year. It is very difficult for these pilots to find housing, especially in the summer when the motels are usually full.
- Some colleges rent housing by the night to non-students. Conferences are sometimes held at Colleges in the summer and attendees stay in campus housing.
- All of the persons interviewed were in agreement that there is a tremendous need for housing in The Dalles and on the CGCC campus. They all believed there would be a fertile available market to supplement occupancy at CGCC in the off-season.

## **Local Off-Campus Housing Market**

This section of the report identifies the characteristics of the off-campus rental housing market in The Dalles and Hood River. An understanding of housing conditions in the regional market provides a comparison of off-campus costs and the housing supply available to students at CGCC. However, off-campus housing is not comparable to student housing, which usually includes shared bathrooms, kitchens, a living room, and other common areas in order to make on-campus housing more affordable.

Net market demand addresses the quantitative difference between the supply of housing and the number of persons who require housing in a given market area. Pent up demand occurs when demand is in excess of supply.

Based on regional housing market conditions in The Dalles and Hood River, it will be shown that pent up demand is clearly present and the regional market is severely under supplied. Occupancy is at or near 100 percent. The only vacancy is an occasional turnover during a given month. These turnover vacancies are immediately leased.

### **Key Findings: CGCC Survey Pertaining to Local Housing Availability**

- Seventy-three percent of the CGCC student survey respondents indicated finding affordable housing in the area was a challenge and 88 percent of the community members agreed.

## **New Housing Supply**

Data shows in the 10-year period from 2010 through 2017 new housing supply has not kept up with net household growth in the The Dalles and Hood River, even though growth has been modest at best.

- Approximately 89 percent of the increase in occupied housing in The Dalles has been rental housing.
- Most new housing in Hood River has been single-family homes (72 percent).

## Apartment Survey

To gain a better understanding of the constraints potential students, staff, and faculty face when considering enrollment or employment at CGCC, a survey was conducted of a representative sample of selected market rate rental apartments in The Dalles (8 properties) and Hood River (one property) to assess the characteristics of the regional apartment inventory.

Although a significant portion of the apartment inventory in The Dalles and Hood River consists of affordable housing financed with State of Oregon tax credits, only market rates apartments were selected in the survey because low income subsidized apartments are almost never available, particularly to students. Maximum rents are fixed, with a ceiling of 50 to 60 percent of median family income. There are long waiting lists to rent these subsidized apartments and tenants must be income qualified. In some cases property managers will not accept students unless they are living with an adult.

The following table shows the unit mix, sizes, and rents for the nine market rate apartments surveyed. Detailed information on each of these apartments is contained in Appendix B at the end of the report.

**Table 10. Average Unit Sizes, Mix and Rent for Market Rate Apartments**

| Name                        | Year Built | Units      | Size (SF)  | Rent         | Rent per SF   |
|-----------------------------|------------|------------|------------|--------------|---------------|
| <b>The Dalles</b>           |            |            |            |              |               |
| Cherry Blossom Apartments   | 1970's     | 32         | 628        | \$819        | \$1.30        |
| Centre II Apartments        | 1970's     | 28         | 825        | \$850        | \$1.03        |
| Tillicum Apartments         | 1970's     | 31         | 426        | \$603        | \$1.42        |
| Court Crest Apartments      | 1970's     | 24         | 825        | \$822        | \$1.00        |
| Crown Plaza Apartments      | 1950's     | 20         | 633        | \$670        | \$1.06        |
| Stone Manor Apartments      | 1970's     | 10         | 738        | \$650        | \$0.88        |
| American Village Apartments | 1970's     | 48         | 919        | \$918        | \$1.00        |
| Pomona Terrace Apartments   | 1978       | 44         | 950        | \$1,100      | \$1.16        |
| <b>Hood River</b>           |            |            |            |              |               |
| Columbia View Apartments    | 1970       | 48         | 910        | \$959        | \$1.05        |
| <b>Total / Average</b>      |            | <b>285</b> | <b>792</b> | <b>\$866</b> | <b>\$1.09</b> |

As shown above, the market-rate rental apartment inventory in the region is old (constructed in the 1950's and 1970's). The design, finishes, and amenities are not up to the standards of a modern apartment. Rents are relatively low and would not support the cost of new construction.

The absence of new apartments at higher rents is a constraint on new development. Financial institutions require appraisals that will support new development and appraisers are unable to find comparable market rate apartments with sufficient rent, creating a classic "chicken and egg" problem.

Table 12. Cost per Student with Utilities

| Unit type      | Average Rent | Utilities (Estimated) | Total   | Number of Students | Rent per Bedroom* |
|----------------|--------------|-----------------------|---------|--------------------|-------------------|
| Studio         | \$600        | \$130                 | \$730   | 1                  | \$730             |
| One Bedroom    | \$741        | \$145                 | \$886   | 1                  | \$886             |
| Two Bedrooms   | \$938        | \$160                 | \$1,098 | 2                  | \$549             |
| Three Bedrooms | \$1,065      | \$170                 | \$1,235 | 3                  | \$412             |

\*Adjusted rent with utilities

However, vacancy conditions make it very difficult for students to find an apartment or a single-family home, and some apartment managers are unwilling to rent to college students, particularly when they do not need to do so to maintain full occupancy.

The local apartment inventory may be suitable for married students, but a car is also needed to commute to the College from the lower elevations of The Dalles, where the apartment inventory is located. The two-mile road leading to the campus from the level of I-84 is a steep uphill climb for a bicycle.

## Campus Housing Need

Market need is a confusing term. It is a given that a market is present. The market consists of people who buy goods and services. In this case the market is a student(s) who makes a decision to attend a community college.

The real question for CGCC is what strategies need to be employed to increase market share and student enrollment? Market demand is, in many ways, supply driven. In other words, without the supply, it is not possible to capture demand.

As previously discussed, in the case of CGCC, campus housing may be a "strategic need" necessary to expand the geographical market area, remain competitive, and increase market share. The number one reason student's reject a college is due to the lack of suitable housing.

In 2010 a survey was conducted of nearly 14,000 students by The Center for Facilities Research of the APPA. The purpose of the study was to determine the relative importance of an institution's physical assets on a student's choice of higher education institutions and the relative importance of an institution's various facilities in the decision process. "Poorly maintained or inadequate residential facilities were listed as the number one reason for rejecting enrollment at an institution." Over 40 percent of the students surveyed rejected institutions that did not have on-campus housing. *Source: Student Housing: Trends, Preferences and Needs; Contemporary Issues in Education Research; Volume 3, Number 10.*

A quantitative analysis utilizing market area demographics to determine demand, or need, is unreliable because it does not take into consideration competition and the number of persons within a market area that will select and attend CGCC. There are too many other variables to accurately measure demand by this methodology, including the condition, location, and availability of housing within a reasonable commute to the College.

**Key Findings: CGCC Survey Pertaining to Interest in Student Housing at the College**

The above finding is consistent with the survey of CGCC students by the College where:

- Fifty-seven percent of the students now attending CGCC would be extremely interested or interested in affordable on-campus housing at CGCC, if it was available (21 percent extremely interested, 36 percent interested).
- Seventy-one percent of prospective students would be extremely interested or interested in on-campus housing.

There are currently 865 (FTE) students enrolled at CGCC and 68 percent are 24 years of age or younger (588 FTE students). If 57 to 71 percent of these students are very interested or interested in on-campus student housing at CGCC, this is a potential market pool of 335 to 417 students.

Applying the results of the CGCC survey of students extremely interested or interested in on-campus housing at CGCC, to the whole student body, results in the following potential demand and market penetration rates.

**Table 13. Potential Demand Based on CGCC Survey**

| Filtered Market                    | Beds* | Percent | Current Enrollment<br>FTE 865 | Capacity<br>FTE 1,250 |
|------------------------------------|-------|---------|-------------------------------|-----------------------|
| <b>Market Depth</b>                |       |         |                               |                       |
| Extremely Interested or Interested |       | 57%     | 493 Beds                      | 713 Beds              |
| <b>Market Penetration</b>          | 74    |         | 15%                           | 10%                   |

\*Number of beds at 95% occupancy

Source: Leland consulting Group and CGCC Survey

- The filtered market demand ranges from 493 beds to 713 beds, depending on enrollment.
- Extrapolating from the survey, the market capture rate, or penetration rate, from students who would be extremely interested or interested in living on campus, is only 10 percent to 15 percent to achieve 95 percent occupancy, depending on FTE. These penetration rates are not unreasonable, and most likely conservative, given the market, as quantified, is highly filtered and the off-campus housing constraints.

In the interest of caution, however, it should be pointed out that of the 57 percent of the students who expressed an interest in on-campus housing at CGCC, an undetermined percentage of these students may not be able to afford new on-campus housing and will continue to live with their parents or live with multiple roommates off campus.

Other national surveys indicate that approximately six to seven percent of the student body lives on campus. In a 2011 study conducted for Broome Community College by the SUNY group, who develop and manage student housing, the filtered demand for student housing was six percent of fall enrollment within the SUNY system.

Source: Broome Community College; Market Study for Student Housing; Brailsford & Dunlavey; October 2011.

The supply constrained housing market in The Dalles would also indicate a higher propensity to live on campus at CGCC than six percent of the student body, perhaps as much as nine percent.

#### CGCC – Community Members

- Ninety-eight percent of community member participants indicated that cost was extremely important or important when selecting housing.

#### CGCC - Parents/Guardians of current and perspective CGCC students

- When asked how important cost was when selecting housing options for their student while attending CGCC, 72 percent of current and perspective parent/guardian participants selected extremely important (54 percent) or important (18 percent).
- When comparing the responses of parents/guardian of CGCC students and current students a disconnect exists in the perception of the cost for on-campus student housing. All (100 percent) of the respondents identified as parents/guardians of current CGCC students indicated they believed on-campus student housing would be less expensive than off-campus housing. In comparison, only 55 percent of current CGCC students responded similarly.

### Housing Preferences and Amenities

- Features: An APPA survey of 14,000 students showed the following top 10 housing preferences: (*Source: Student Housing: Trends, Preferences and Needs; Contemporary Issues in Education Research; Volume 3, Number 10*).
  - Private bedroom (95.5 percent)
  - Onsite parking (92 percent)
  - Double beds (91.3 percent)
  - Onsite laundry facilities (90.3 percent)
  - Internet access (88.8 percent)
  - Proximity to campus (73.3 percent)
  - Fitness center 73.3 percent)
  - Private bathroom (73 percent)
  - Cable TV (65.4 percent)
  - Satellite dining (50 percent)
- In the same APPA survey "a deal breaker in the housing decisions included" (*Source: Ibid.*):
  - No internet access (92.9 percent)
  - No laundry facilities on premises (84.9 percent)
  - No cable TV (75.7 percent)
  - No kitchen (57.4 percent)
  - Sharing a bedroom (49.3 percent)
  - Sharing a bathroom (11.7 percent)
- In a survey conducted by Brailsford & Dunlavey for students attending Broome Community College in New York, the top five features students indicated were important included: (*Source: Broome Community College; Market Study for Student Housing; Brailsford & Dunlavey; October 2011.*)
  - In-room wireless internet access
  - Private (single) bedroom

### CGCC Survey Findings Pertaining to Housing Preferences and Amenities

- Single unit (one bedroom/one student – 29 percent), double unit (two bedrooms/two students – 22 percent), and family housing (20 percent) were identified as the preferred unit type.
- Students and parents/guardians of current and perspective students expressed preference for lease terms that represented the academic term (44 percent) and/or a monthly lease agreement (26 percent).
- On-site parking was a feature collectively identified as a need amongst students (current and perspective) as well as parents/guardians of students (current and perspective). The majority of respondents (83 percent) indicated that on-site parking was an extremely important or important feature in housing options. Approximately 83 percent indicated they did have a motor vehicle that would require on-site parking.
- Affordability and value, strong Wi-Fi and internet access, and safety and security of the area were identified by both students (current and perspective) and parents (current and perspective) as the top three amenities of importance when considering on-campus, student housing.
- The vast majority (80 percent) of both student and parent/guardian populations identified access to on-site parking and a smoke free environment of extreme importance or important.
- A small percentage of students specified that on-campus dining options (38 percent), convenient access to public transportation (44 percent), and resident lounge/common areas (45 percent) were important or extremely important features needed in student housing options located on campus.

### Community

- "Research shows that without the sense of community that often comes from living together in close communal quarters, students may have fewer opportunities to learn, how to get along with different people and manage conflicts, or develop the friendships and networks that keep them in school."  
*Source: Ibid*

### Sustainability

- "College students are an environmentally conscious demographic." *Source: Ibid.* LEED and other certified green buildings attract student residents who are becoming increasingly environmentally conscious.
- Lower operational costs through the use of more efficient HVAC and electrical systems are a long-term benefit. Solar heat can reduce operating costs.

Because nearly 90 percent of the beds are a four-bedroom two-bath floor plan, the specific characteristics of this unit type were aggregated separately below.

Table 16. Four-Bedroom Two-Bath Housing Units (Quads)

| Community College      | Year Built | Units      | Beds         | Beds per Unit |
|------------------------|------------|------------|--------------|---------------|
| Edmonds CC             | 2009       | 45         | 180          | 4.0           |
| Green River CC         | 2005       | 85         | 340          | 4.0           |
| Everett CC             | 2017       | 25         | 100          | 4.0           |
| Southwestern Oregon CC | 1997-2005  | 68         | 390          | 5.7           |
| Broome CC              | 2014       | 62         | 310          | 5.0           |
| Rose State CC          | 2015       | 18         | 72           | 4.0           |
| <b>Total/Average</b>   |            | <b>303</b> | <b>1,392</b> | <b>4.6</b>    |

- Housing at Southwestern Community College was built in four phases in 1997, 1998, 2000, and 2005.
- Average beds per unit are more than four because Southwestern Community College and Broome Community College offer both single and double occupancy for some of their rooms at different price points.

Table 17. Unit Size and Pricing for Four-Bedroom Two-Bath Housing Units

| Community College      | Unit Size (SF) | Rent per Month* |                |               | Summer Discount |
|------------------------|----------------|-----------------|----------------|---------------|-----------------|
|                        |                | Per Room        | Per Unit       | Per SF        |                 |
| Edmonds CC             | 1,352          | \$895           | \$3,580        | \$2.65        | None            |
| Green River CC         | 1,000          | \$764           | \$3,056        | \$3.06        | None            |
| Everett CC             | NA             | \$665           | \$2,660        | NA            | 13%             |
| Southwestern Oregon CC | 1,363          | \$857           | \$3,428        | \$2.52        | None            |
| Broome CC              | 1,250          | \$941           | \$3,764        | \$3.01        | None            |
| Rose State CC          | 1,275          | \$650           | \$2,600        | \$2.04        | None            |
| <b>Average</b>         | <b>1,248</b>   | <b>\$795</b>    | <b>\$3,181</b> | <b>\$2.55</b> |                 |

\*Single Occupancy, Fall, Winter & Spring only, (includes utilities)

- Utilities are included in the rent. In addition, colleges typically collect a nonrefundable application fee, a nonrefundable cleaning fee, a refundable damage deposit fee, and an activity or social fee.
- Broome Community College and Southwestern Oregon Community College discount their room rate 10 percent and 14 percent respectively for double occupancy (two persons per room).
- Everett Community Colleges discounts their summer rate by 13 percent.
- There is a two percent rent discount at Green River Community College if a student leases for a full year instead of three terms.

Based on industry trends, interviews with student housing managers, and the case studies, this section of the report outlines Leland consulting Group's product recommendations including:

- A description of the site together with a site plan.
- Product recommendations including building size and characteristics, floor plan, number of units, unit size, amenities, and phasing.
- A pricing model.
- Projected occupancy.

CGCC contracted with an architect (David Waldron, David Waldron & Associates, Bend, Oregon) to provide a site plan, floor plans, and determine the square footage of the residential building.

## Site Description

The CGCC campus is located approximately one mile northwest of The Dalles downtown at a significantly higher elevation. By road the campus is two miles from the downtown.

The site for the proposed project, including the skills center, is approximately four acres in size and is centrally located within the CGCC campus.

**Figure 3. Campus Housing Site - CGCC**



- The property slopes downward from west to east, on a 35 percent slope. The site has spectacular views northeast and southeast across the Columbia River.
- The site is fully improved with all utilities in the street adjacent to the site to the west.
- The project site is zoned low density residential but would allow multifamily campus housing as a conditional use through a Community Facilities Overlay Zone. According to Jim Austin, Director of Facilities Services for CGCC, the height limit is approximately 60 feet (a maximum of five stories).

apartment for an assistant resident manager and seven studio apartments for married students, faculty, or staff is proposed for the basement.

- Because the student housing is three stories of wood frame constructed over a daylight basement, it should be classified by City code as a three-story building, not a four-story building. The code for a four-story building in The Dalles could be more restrictive and costly. *Source: David E. Waldron and Associates.*

## Product Recommendations

The following product recommendations are for phase one of the development. Adjustments can be made in phase two. The characteristics of the building and the housing are as follows:

Table 19. Phase One Building

|  |                   |           |
|--|-------------------|-----------|
|  |                   |           |
| Number of Buildings (Phase One)                                |                   | 1         |
| Number of floors above ground (entry from the east)            |                   | 3         |
| Daylight basement below (separate entry)                       | 9 Apartments      |           |
| Gross Building Area (square feet)                              |                   | 29,920    |
| Net Rentable Area (square feet)                                |                   | 22,262    |
| Loading/access   | Exterior stairway |           |
| ADA access   | One Elevator      |           |
| Laundromat in the building                                     |                   |           |
| Small managers office on the ground floor                      |                   |           |
| High speed Wi-Fi and cable Internet access                     |                   |           |
| Cable TV   |                   |           |
| <b>Surface Parking</b>   |                   |           |
| Parking Stalls (on site)                                       |                   | 55        |
| Shared Parking Stalls (adjacent parking lot north of the site) |                   | 25        |
| <b>Total parking stalls</b>                                    |                   | <b>80</b> |

*Source: Leland Consulting Group and David E. Waldron and Associates*

The unit size of 1,055 square feet for the four-bedroom two-bath floor plan is 16 percent smaller than the approximate average for the case studies of the six community colleges. Sizes ranged from 1,000 to 1,363 square feet for the case studies and averaged 1,248 square feet. The industry trend is to build smaller units to save cost.

The building does not include any common area amenities or facilities other than a coin operated laundromat, an elevator, and a manager's office on the main floor. A fitness center in the Skills Center is recommended. It will be too expensive to provide other common area amenities that are sometimes included in student housing, such as a fitness room, recreation room, community room, study rooms, computer lab, TV room, and food service.

The industry trend is to provide these facilities at other locations on the campus in order to keep monthly rental costs at a minimum, or not provide them at all. Affordability is more important than luxury. It will be important to maintain some type of food service elsewhere on campus. There is a cafeteria on site and CGCC has plans underway for a campus food pantry.

The methodology for deriving the number of units was to solve for the building size that could be delivered at a cost of approximately \$7.32 million, which is the matching funds required for the Skills Center. This cost includes:

- Site development.
- Hard construction costs (building).
- Interiors.
- A contingency.
- Soft costs (fees, permits, system development charges, architectural and engineering costs, and other soft costs).
- It is assumed the College will contribute the land, thus avoiding any land cost.

Detailed construction costs, estimated by David E. Waldron and Associates are contained in Appendix D at the end of this report. A summary of these costs is as follows:

The recommended prices are market prices, based on the case studies and the local off-campus housing inventory. However student housing is not directly comparable to off-campus housing, particularly in comparison to the apartments in The Dalles and Hood River.

- Rent for the four-bedroom two-bath apartments is 15 percent below the average of the case studies. The studio apartments were priced 28 percent below the average for the case studies.
- In addition to rent, CGCC will be able to collect the following recommended non-refundable fees:
  - Application fee – \$250 for the term of the lease.
  - Cleaning fee – \$250.
  - Social/activity fee – \$30 per term.
- Only one of the six colleges contacted discounted rents in the summer or rented to non-students in the summer.

#### Key Findings: CGCC Survey Pertaining to Rent Expectations

- On average, current CGCC students pay \$570 per month for housing, which includes the cost of one or more utilities.
  - Five percent – less than \$300.
  - Fifty-nine percent – \$300 to \$699.
  - Seventeen percent – \$700 to \$999.
  - Ten percent – \$1,000 or more.
- Seventy-four percent indicated cost was extremely important or very important when selecting housing and 87 percent said affordable housing was extremely important in their decision to enroll at CGCC.

## Occupancy

Occupancy for CGCC student housing is estimated at:

- Fall Term: 100 percent.
- Winter and Spring Terms: 95 percent.
- Summer Term: 50 percent.
- By renting to non-students during the summer, it is conservatively estimated summer occupancy can be increased to: 75 percent.
- Based on the above, average annual occupancy at stabilization is estimated at approximately: 92 percent.
- Occupancy in the first year of operations is estimated at 90 percent.

## Appendix B

### Local Off-Campus Apartments

#### The Dalles

| Cherry Blossom Apartments        |               |            | Rent         |               |
|----------------------------------|---------------|------------|--------------|---------------|
| Unit Type                        | Units         | Size (SF)  | Rent         | per SF        |
| One Bedroom                      | 16            | 505        | \$750        | \$1.49        |
| Two Bedrooms                     | 12            | 735        | \$850        | \$1.16        |
| Three Bedrooms                   | 4             | 795        | \$1,000      | \$1.26        |
| <b>Total / Average</b>           | <b>32</b>     | <b>628</b> | <b>\$819</b> | <b>\$1.30</b> |
| <b>Year Built</b>                | <b>1970's</b> |            |              |               |
| <b>Typical Vacancy (# units)</b> | <b>0-2</b>    |            |              |               |

| Centre II Apartments             |               |            | Rent         |               |
|----------------------------------|---------------|------------|--------------|---------------|
| Unit Type                        | Units         | Size (SF)  | Rent         | per SF        |
| One Bedroom                      | 14            | 750        | \$800        | \$1.07        |
| Two Bedrooms                     | 14            | 900        | \$900        | \$1.00        |
| <b>Total / Average</b>           | <b>28</b>     | <b>825</b> | <b>\$850</b> | <b>\$1.03</b> |
| <b>Year Built</b>                | <b>1970's</b> |            |              |               |
| <b>Typical Vacancy (# units)</b> | <b>0</b>      |            |              |               |

| Tillicum Apartments              |               |            | Rent         |               |
|----------------------------------|---------------|------------|--------------|---------------|
| Unit Type                        | Units         | Size (SF)  | Rent         | per SF        |
| Studio                           | 30            | 420        | \$600        | \$1.43        |
| One Bedroom                      | 1             | 600        | \$700        | \$1.17        |
| <b>Total / Average</b>           | <b>31</b>     | <b>426</b> | <b>\$603</b> | <b>\$1.42</b> |
| <b>Year Built</b>                | <b>1970's</b> |            |              |               |
| <b>Typical Vacancy (# units)</b> | <b>0-1</b>    |            |              |               |

| Court Crest Apartments           |               |            | Rent         |               |
|----------------------------------|---------------|------------|--------------|---------------|
| Unit Type                        | Units         | Size (SF)  | Rent         | per SF        |
| One Bedroom                      | 9             | 700        | \$775        | \$1.11        |
| Two Bedrooms                     | 15            | 900        | \$850        | \$0.94        |
| <b>Total / Average</b>           | <b>24</b>     | <b>825</b> | <b>\$822</b> | <b>\$1.00</b> |
| <b>Year Built</b>                | <b>1970's</b> |            |              |               |
| <b>Typical Vacancy (# units)</b> | <b>0-1</b>    |            |              |               |

## Appendix C

### Case Studies

|   |                    |            |                 |                |          |        |
|---|--------------------|------------|-----------------|----------------|----------|--------|
| Edmonds Community College               |                    |            |                 |                |          |        |
| Lynnwood, Washington                    |                    |            |                 |                |          |        |
| Students                                | 10,754             |            |                 |                |          |        |
| <b>Housing</b>                          |                    |            |                 |                |          |        |
| When Constructed                        | 2009               | Unit       |                 | Rent per Month |          |        |
|   | Units              | Beds       | Size (SF)       | Per Room       | Per Unit | Per SF |
| Studio (single occupancy)               | 4                  | 4          | 400             | \$1,200        | \$1,200  | \$3.00 |
| Double Occupancy                        |                    |            |                 | \$740          | \$740    |        |
| 2 BD, 1 BA (single occupancy)           | 8                  | 16         | 920             | \$1,030        | \$2,060  | \$2.24 |
| Double Occupancy                        |                    |            |                 | \$740          | \$1,480  |        |
| 4 BD, 2 BA (single occupancy only)      | 45                 | 180        | 1,352           | \$895          | \$3,580  | \$2.65 |
| <b>Total</b>                            | <b>57</b>          | <b>200</b> |                 |                |          |        |
| Option for 2 beds per room in 4 BR      | No                 |            |                 |                |          |        |
| Kitchen                                 | Yes                |            |                 |                |          |        |
| Included in rent                        |                    |            |                 |                |          |        |
| Utilities, parking, internet            |                    |            |                 |                |          |        |
| Other fees                              |                    |            |                 |                |          |        |
| Non refundable application fee          |                    |            |                 | \$275          |          |        |
| Non refundable cleaning fee fee         |                    |            |                 | \$200          |          |        |
| Refundable damage deposit               |                    |            |                 | \$200          |          |        |
| Activity fee                            |                    |            |                 | \$20           |          |        |
| Annual Occupancy                        |                    |            |                 |                |          |        |
| Fall thru Spring                        | 95%                |            |                 |                |          |        |
| Summer                                  | 50%-60%            |            |                 |                |          |        |
| Fall Quarter                            | 100% (wait listed) |            |                 |                |          |        |
| Short term rentals in summer            | \$30/person/night  |            |                 |                |          |        |
| Management responsibility               | College            |            |                 |                |          |        |
| <b>Financial</b>                        |                    |            | <b>Per Unit</b> | <b>Per bed</b> |          |        |
| Annual Operating Cost                   | \$1,305,000        |            | \$22,895        | \$6,525        |          |        |
| Annual Profit                           | \$100,000          |            |                 |                |          |        |
| Financed through 501c3 tax-exempt bonds |                    |            |                 |                |          |        |
| with use agreement and ground lease     |                    |            |                 |                |          |        |

## Case Studies (continued)

**Southwestern Oregon Community College  
Coos Bay, Oregon****Students**

|       |       |
|-------|-------|
| Total | 2,038 |
| FTE   | 1,077 |

**Housing****When Constructed**

1997-2005

**Unit Types**

|                        | Units | Beds | Unit<br>Size (SF) | Per Room | Per Unit | Per SF  |
|------------------------|-------|------|-------------------|----------|----------|---------|
| 3 BD, 2 BA             | 10    | 30   | NA                | NA       | NA       | NA      |
| 4 BD, 2 BA (average)   | 68    | 390  |                   | \$415    | \$3,428  | \$2,379 |
| Fall, Spring Semesters |       |      |                   |          |          |         |
| Single occupancy       | 9     | 36   |                   | \$857    | \$3,428  |         |
| Double occupancy       | 59    | 354  |                   | \$739    | \$2,956  |         |
| Summer                 |       |      |                   |          |          |         |
| Single occupancy       |       |      |                   | \$840    | \$3,360  |         |
| Double occupancy       |       |      |                   | \$600    | \$2,400  |         |

|                     |           |            |
|---------------------|-----------|------------|
| <b>Total</b>        | <b>78</b> | <b>420</b> |
| Studios (for staff) | 11        | 11         |

**Fees**

|                       |       |
|-----------------------|-------|
| Nonrefundable deposit | \$250 |
| Social fee (semester) | \$30  |

**Kitchen**

Clubhouse with laundry, study room, game room, TV rooms

**Annual Occupancy**

|      |     |
|------|-----|
| 2016 | 80% |
| 2015 | 95% |

Rent to summer camp and conference attendees in summer

Management responsibility College

**Broome Community College  
Binghamton, New York**

|                    |       |      |
|--------------------|-------|------|
| Full-time students | 5,725 | 78%  |
| Part-time students | 1,570 | 22%  |
| Total              | 7,295 | 100% |

**Housing****When Constructed**

2014

**Unit Types**

|                           | Units      | Beds       | Unit<br>Size (SF) | Per Room | Per Unit | Per SF |
|---------------------------|------------|------------|-------------------|----------|----------|--------|
| 4 BD, 2 BA                | 62         |            | 1,250             |          |          |        |
| Single occupancy per room | 31         | 124        |                   | \$941    | \$3,764  | \$3.01 |
| Double occupancy per room | 31         | 186        |                   | \$847    | \$5,082  |        |
| Staff Housing             | 2          |            |                   |          |          |        |
| <b>Total</b>              | <b>126</b> | <b>310</b> |                   |          |          |        |

**Kitchen**

Yes

**Annual Occupancy**

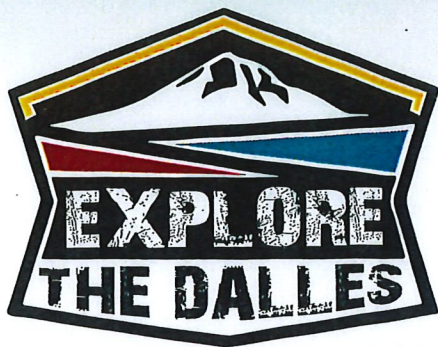
|                  |                    |
|------------------|--------------------|
| Fall thru Spring | 100% (wait listed) |
| Summer           | NA                 |

Management responsibility College

## Appendix D

### Preliminary Construction Costs

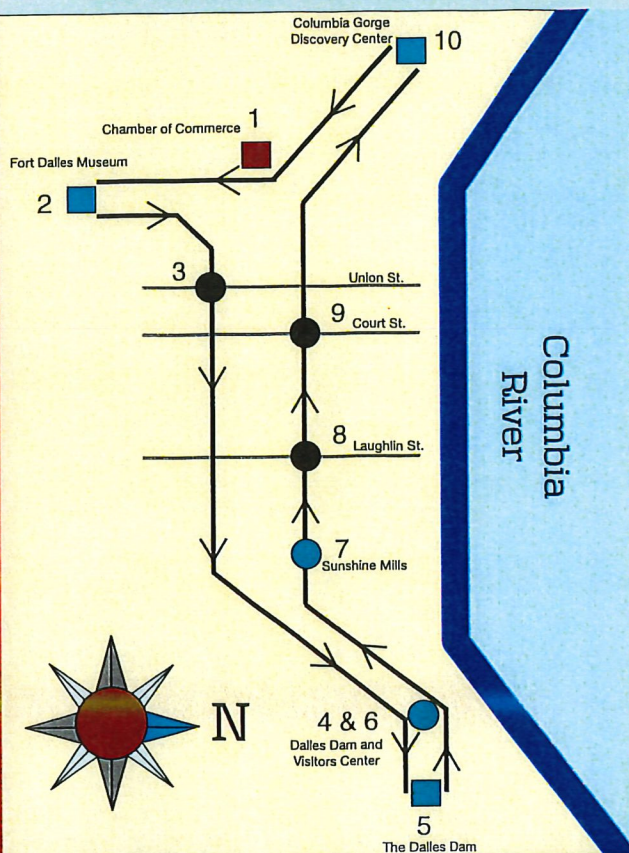
| Preliminary Construction Costs               |  | Total              |
|--|--|--------------------|
| Gross Building Area (SF)                     |  | 29,920             |
| Housing Units                                |  | 27                 |
| Beds   |  | 81                 |
| <b>Hard Costs</b>                            |  |                    |
| <b>Site Development</b>                      |  |                    |
| Product and Material Removal                 |  | \$28,500           |
| Excavation and Soils Testing                 |  | \$631,367          |
| Paving                                       |  | \$30,500           |
| Concrete Curbs, Walks, and Walls             |  | \$86,800           |
| Parking Lot Striping                         |  | \$4,900            |
| Landscaping                                  |  | \$75,000           |
| Concrete                                     |  | \$209,000          |
| Structural Steel                             |  | \$105,183          |
| Metal Fab and Powder Coating                 |  | \$75,183           |
| <b>Subtotal</b>                              |  | <b>\$1,246,433</b> |
| <b>Building</b>                              |  |                    |
| Sheet Metal Fab                              |  | \$9,000            |
| Rough Carpentry                              |  | \$752,000          |
| Siding, Soffit and Trip                      |  | \$230,000          |
| Finish Carpentry                             |  | \$108,000          |
| Insulation                                   |  | \$105,000          |
| Roofing                                      |  | \$203,000          |
| Flashing                                     |  | \$18,000           |
| Gutters and Downspouts                       |  | \$11,200           |
| Wood Doors, Jambs, Casings and Door Hardware |  | \$130,000          |
| Windows                                      |  | \$180,000          |
| Drywall                                      |  | \$227,600          |
| Painting                                     |  | \$210,000          |
| Toilet Accessories                           |  | \$18,500           |
| Elevator                                     |  | \$89,200           |
| Fire Sprinkler System (13R)                  |  | \$166,796          |
| Plumbing                                     |  | \$275,575          |
| Heating and Air Conditioning                 |  | \$292,637          |
| Electrical and Lighting                      |  | \$309,000          |
| Phone and Data                               |  | \$24,000           |
| Audio and Video                              |  | \$90,000           |
| Fire Strobes/Alarm                           |  | \$88,000           |
| Thermal and Moisture Protection              |  | \$95,000           |
| Signage                                      |  | \$9,200            |
| <b>Subtotal</b>                              |  | <b>\$3,641,708</b> |



## SATURDAY EXPLORER SHUTTLE

ExploreTheDalles.com  
(541) 296-2231

Service within The Dalles is Free



US Army Corps  
of Engineers  
Portland District



## - Schedule -

Depart Hood River at 9:50 AM

Arrive at The Dalles 10:15 AM

| Stop | Stops:             | Arrival Times: |       |      |      |      |
|------|--------------------|----------------|-------|------|------|------|
| 1    | C of C             | 10:20          | 11:40 | 1:20 | 2:40 | 4:00 |
| 2    | Fort Dalles        | 10:25          | 11:45 | 1:25 | 2:45 | 4:05 |
| 3    | 3rd & Union        | 10:30          | 11:50 | 1:30 | 2:50 | 4:10 |
| 4    | Visitor Center     | 10:40          | 12:00 | 1:40 | 3:00 | 4:20 |
| 5    | The Dalles Dam     | 10:45          | 12:05 | 1:45 | 3:05 | 4:25 |
| 6    | Visitor Center     | 10:50          | 12:20 | 1:50 | 3:10 | 4:30 |
| 7    | Sunshine Mill      | 11:00          | 12:20 | 2:00 | 3:20 | 4:40 |
| 8    | 2nd & Laughlin     | 11:03          | 12:23 | 2:03 | 3:23 | 4:43 |
| 9    | 2nd & Court        | 11:05          | 12:25 | 2:05 | 3:25 | 4:45 |
| 10   | Colum. Gorge Disc. | 11:14          | 12:34 | 2:14 | 3:34 | 4:54 |
| 1    | C of C             | 11:23          | 12:43 | 2:23 | 3:43 | 5:03 |

Depart The Dalles 5:10 PM

Arrive at Hood River 5:30 PM



This service is provided by  
The Dalles Area Chamber,  
The U. S. Army Corps of Engineers, and Gray  
Line of Oregon.

The service runs on Saturdays starting  
July 21<sup>st</sup> through September 15<sup>th</sup>.

The Dalles Dam, Visitor Center is open from  
9AM - 5PM on Saturday.

## - Entrance Fees -

Fort Dalles: \$8.00 Adult, \$5.00 Seniors

Columbia Gorge Discovery Center:  
\$9.00 Adult, \$7.00 Seniors

The Dalles Dam Tour: Free



# MEMORANDUM



July 18, 2018

**TO:** Chris Cummings, Assistant Director  
**FROM:** Art Fish, Business Incentives Coordinator - *AF*  
**C:** Regional Development Officer  
**SUBJ:** Positive Determination for Enterprise Zone Re-designation

**TDW-31-2018**

## Background

The sponsor of the Wasco County Joint Enterprise Zone has re-designated that zone (formerly, The Dalles/Wasco County Enterprise Zone), which terminated at the end of June by operation of law. See table below for further details.

### ***SUBMISSION FOR ENTERPRISE ZONE RE-DESIGNATION UNDER ORS 285C.074***

| Wasco Joint Zone  |   |
|-------------------|---|
| Received Complete | July 18, 2018, from the Mid-Columbia Economic Development District (MCEDD)  |
| Zone Sponsor      | Cities of Dufur, Maupin, Mosier and The Dalles, Port of The Dalles, and Wasco County  |
| Area              | <ul style="list-style-type: none"><li>• The new zone totals 3.7 square miles of commercially and industrially zoned land in the above communities.</li><li>• The former zone's 2.8 square miles was exclusively in The Dalles and is mostly retained with this re-designation.</li><li>• The overall distance across the zone exceeds the 25-mile maximum by at least 14 miles, making the re-designation contingent on a director's waiver.</li></ul>  |
| Economics & Other | <ul style="list-style-type: none"><li>• The zone has a per capita income that is at least 80% of the state's per capita income, whether looking at the county as whole or zone's cities &amp; places combined. Nevertheless, economics in Wasco County continue to show robust signs of improvement.</li><li>• The sponsor undertook solid consultations with local taxing districts, including an active public meeting. In relation to special payments from a singular recipient of the long-term rural facility abatement (Google), a couple of districts may still be dissatisfied; they appear to think that such payments should somehow become a steady source of funding.</li><li>• Fourth designation of one of the inaugural zones, which hitherto, was always sponsored by the county and only the City of The Dalles, the addition here of a few unincorporated communities, as well as three other cities and the port as cosponsors, is quite notable.</li></ul> |

**Confirmation of Positive Determination**

**Chris  
Cummings**

Digitally signed by Chris  
Cummings

Date: 2018.07.19  
18:07:22 -07'00'

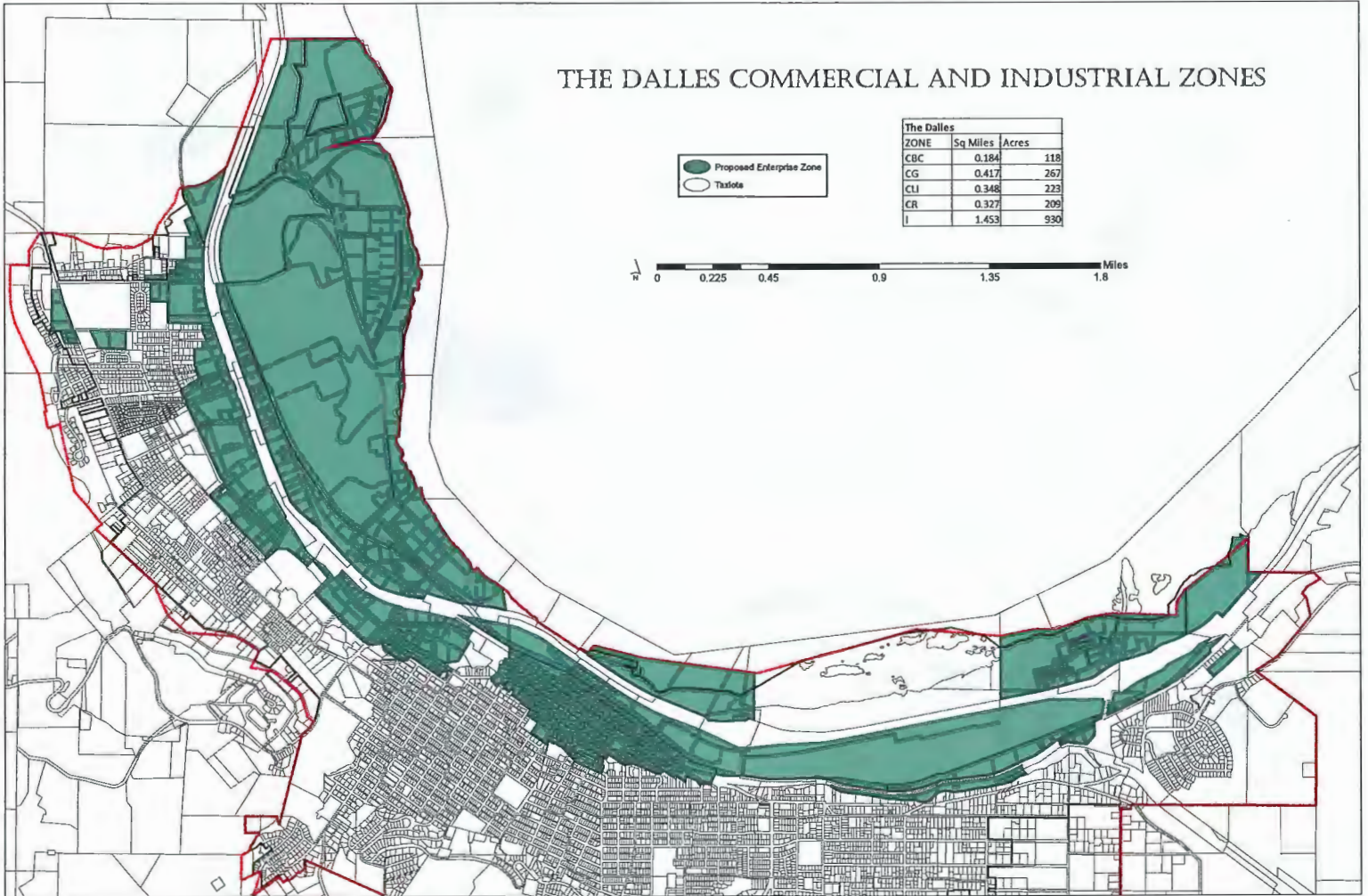
Chris Cummings  
Assistant Director, Economic Development  
Oregon Business Development Department

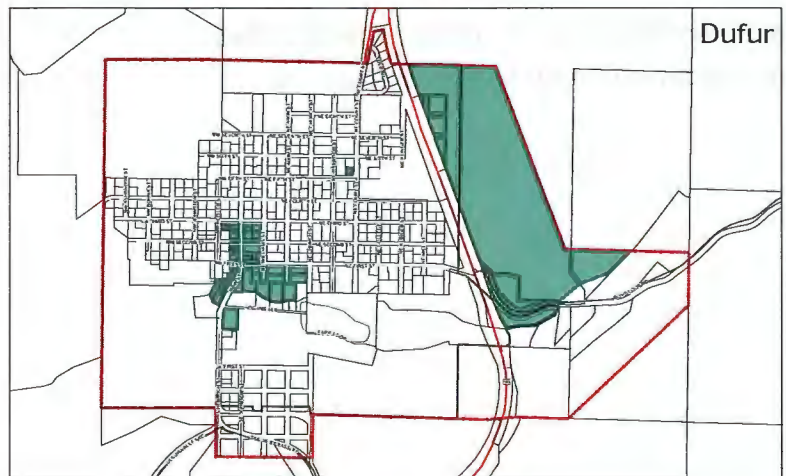
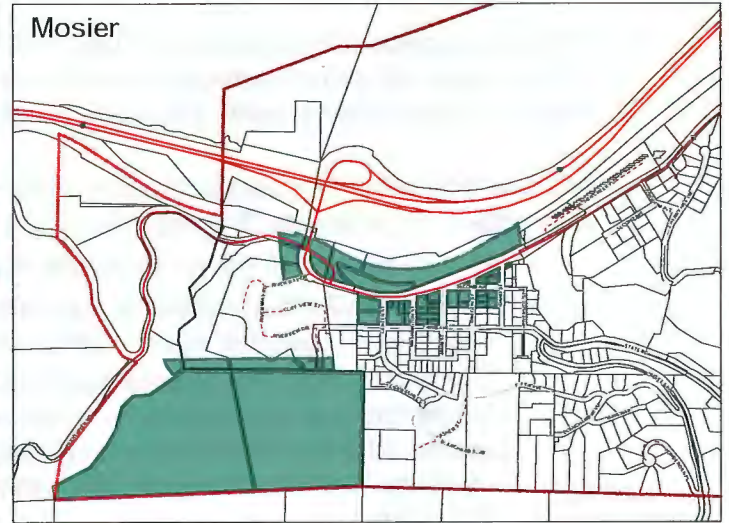
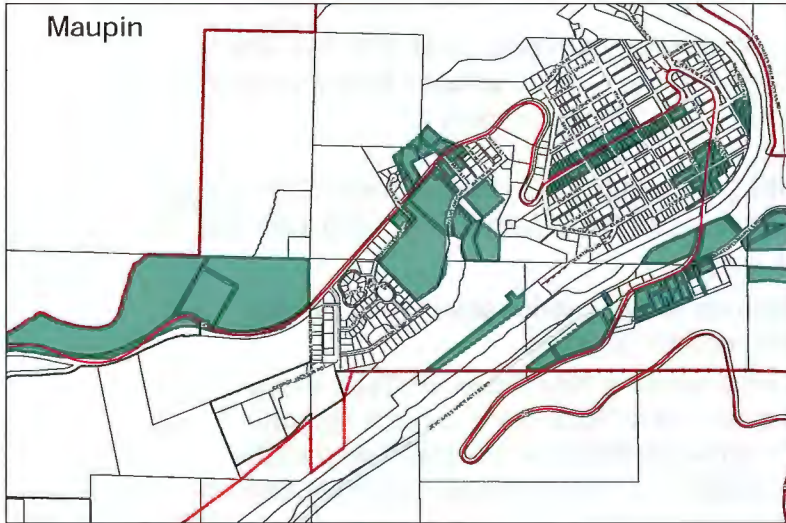
**Attachments**

C: Local zone manager  
County assessor's office  
Department of Revenue

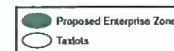
**TDW-31-2018**

## THE DALLES COMMERCIAL AND INDUSTRIAL ZONES





## INCORPORATED COMMUNITIES



| Dufur |          |       |
|-------|----------|-------|
| Zone  | Sq Miles | Acres |
| C1    | 0.021    | 13.49 |
| M1    | 0.11     | 70.7  |

| Mosier |          |       |
|--------|----------|-------|
| Zone   | Sq Miles | Acres |
| C      | 0.041    | 25.8  |
| I      | 0.086    | 54.9  |

| Maupin |          |       |
|--------|----------|-------|
| Zone   | Sq Miles | Acres |
| GC     | 0.01     | 6.9   |
| I      | 0.063    | 103.5 |
| RC     | 0.162    | 40.5  |



FIRST AMENDMENT TO INTERGOVERNMENTAL AGREEMENT  
BETWEEN CITY OF THE DALLES, WASCO COUNTY, AND  
NORTH WASCO COUNTY SCHOOL DISTRICT #21 CONCERNING  
DISTRIBUTION AND USE OF ANNUAL PROJECT FEES PAID  
PURSUANT TO ENTERPRISE ZONE TAX ABATEMENT  
AGREEMENT EXECUTED 09/24/2013

**WHEREAS**, the City of The Dalles, an Oregon municipal corporation, hereinafter called the “City”, and Wasco County, a political subdivision of the State of Oregon formed under the Oregon Constitution and ORS Chapter 203, hereinafter called the “County”, and North Wasco County School District #21, hereinafter called the “District” entered into an intergovernmental agreement dated May 8, 2014, hereinafter called the “May 8, 2014 Agreement”, which set forth the responsibilities of the parties for implementation of the process concerning the distribution and use of fees to be paid by Design LLC pursuant to the Enterprise Zone Tax Abatement Agreement executed on September 24, 2013; and

**WHEREAS**, the May 8, 2014 Agreement provided that it was the intent of the parties that for the first five years that the District received funds under the Agreement that the funds would be used on curb appeal projects or projects related to the mandated change to the District’s high school mascot; and

**WHEREAS**, the City Planning Commission voted on November 16, 2017 to modify Condition of Approval No. 13 for Conditional Use Permit No. 173-14 which had been issued to the District authorizing the placement of modular buildings at the Dry Hollow Elementary School, to provide that in July, 2018, the Planning Commission would conduct a hearing during which the District would present a report as to the progress in identifying a funding source for proposed capital improvements which are a part of a long-term plan to address the traffic safety issues associated with the drop-off and pick-up of students at Dry Hollow Elementary School; and

**WHEREAS**, the modified Condition of Approval No. 13 also provided that as part of its report, the District would report on its efforts to secure an amendment to the May 8, 2014 Agreement related to the annual project fee to be paid to the District, to allow the project fees to be used as a source of funding for the capital improvements to be constructed as part of the District’s plan to address traffic safety issues associated with the drop-off and pick-up of students at Dry Hollow Elementary School; and

**WHEREAS**, the City, County, and District have agreed upon the terms and conditions of an amendment to the May 8, 2014 Agreement consistent with the provisions of modified Condition of Approval No. 13 for Conditional Use Permit No. 173-14;

**NOW, THEREFORE, it is mutually agreed as follows:**

1. The first sentence in Paragraph 2 on page 2 of the May 8, 2014 Agreement shall be amended to read as follows:

By no later than April 1 of the first year of receipt of the Annual Project Fee by the County, District shall submit a plan for expenditures of funds for that year, on curb appeal projects related to buildings and grounds and/or improvements required as a result of mandated change of the District's high school mascot, and/or projects including proposed capital improvements which are part of a long-term plan to address traffic safety issues associated with the drop-off and pick-up of students at Dry Hollow Elementary School, to the City and County for their approval.

2. The sixth sentence in Paragraph 2 on page 2 of the May 8, 2014 Agreement shall be amended to read as follows:

The intent is that for the first five years the funds received under this agreement will be used on curb appeal projects, projects related to the mandated change to the high school mascot, or projects associated with the Dry Hollow Elementary School student pick-up and drop-off traffic safety issues.

3. Except as modified by this First Amendment, the terms and conditions of the May 8, 2014 Agreement shall remain in full force and effect.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2018.

**NORTH WASCO COUNTY  
SCHOOL DISTRICT #21**

By: \_\_\_\_\_  
Candy Armstrong, Superintendent

Approved as to form:

\_\_\_\_\_  
Jason Corey, School District #21 Attorney

**WASCO COUNTY**

By: \_\_\_\_\_  
Rod Runyon, Chair

\_\_\_\_\_  
Scott Hege, Commissioner

\_\_\_\_\_  
Steve Kramer, Commissioner

**CITY OF THE DALLES**

By: \_\_\_\_\_  
Stephen E. Lawrence, Mayor

Attest:

\_\_\_\_\_  
Izetta Grossman, City Clerk

Approved as to form:

\_\_\_\_\_  
Kristen Campbell, County Counsel

Approved as to form:

\_\_\_\_\_  
Gene E. Parker, City Attorney

**INTERGOVERNMENTAL AGREEMENT BETWEEN CITY OF THE  
DALLES, WASCO COUNTY AND NORTH WASCO COUNTY SCHOOL  
DISTRICT #21 CONCERNING DISTRIBUTION AND USE OF ANNUAL PROJECT  
FEES PAID PURSUANT TO ENTERPRISE ZONE TAX ABATEMENT  
AGREEMENT EXECUTED 09/24/2013**

This Intergovernmental Agreement is entered into this 8<sup>th</sup> day of MAY, 2014, by and between the City of The Dalles, an Oregon municipal corporation, hereinafter called the "City", Wasco County, a political subdivision of the State of Oregon formed under the Oregon Constitution and ORS Chapter 203, hereinafter called the "County", and North Wasco County School District #21, hereinafter called "District"; each of which may also be referred to herein individually as a "Party" and collectively as the "Parties".

The purpose of this Agreement is to set forth the responsibilities of the Parties for implementation of the process concerning the distribution and use of fees to be paid by Design LLC pursuant to the Enterprise Zone Tax Abatement Agreement executed on September 24, 2013.

**RECITALS:**

**WHEREAS**, the State of Oregon has declared it a matter of statewide concern to promote intergovernmental cooperation for the purpose of furthering economy and efficiency in local government; and

**WHEREAS**, the legislature has given general authority for intergovernmental agreements by units of local government pursuant to the provisions of ORS 190.010 et. seq.; and

**WHEREAS**, the Oregon Legislative Assembly has adopted the provisions of ORS 285C.400 to 285C.420 to provide tax incentives to certified business firms that invest in a qualifying facility located within a nonurban enterprise zone in a county with chronically low income or unemployment; and

**WHEREAS**, the City of The Dalles and Wasco County jointly sponsor a nonurban enterprise zone known as The Dalles/Wasco County Enterprise Zone; and

**WHEREAS**, the City Council adopted Resolution No. 13-033 on September 23, 2013, approving a Second Enterprise Zone Tax Abatement Agreement with Wasco County and Design LLC; and

**WHEREAS**, the Wasco County Board of Commissioners voted to approve the above-mentioned Second Enterprise Zone Tax Abatement Agreement with the City and Design LLC on September 24, 2013; and

**WHEREAS**, pursuant to Section II(C)(2) of the Tax Abatement Agreement, Design LLC agreed to pay an annual Project Fee in the amount of \$800,000 to the City and Wasco County, the sponsor of the Enterprise Zone, on or before December 31, of each tax year in which the New Facility described in the Tax Abatement Agreement, is in service as of the preceding January 1, except that the annual Project Fee will not be due for any tax year in which the new Facility fails to qualify for the property tax exemption under ORS 285C.409(1)(c);

**WHEREAS**, the City and Wasco County have reached a mutual agreement as to the distribution of the Annual Project Fee for the Enterprise Zone which they jointly sponsor, with a portion of the Annual Project Fee to be distributed to the District; and

COPY

**NOW, THEREFORE, it is mutually agreed between the parties as follows:**

1. Distribution of Portion of Annual Project Fee. Pursuant to the agreement between the City and County, the portion of the \$800,000 Annual Project Fee to be distributed to the District shall be the sum of \$240,000. The City, County, and District acknowledge and agree that the first payment of the annual fee for the fifteen (15) year period contemplated in the Second Enterprise Zone Tax Abatement Agreement is anticipated to begin in the 2015/2016 fiscal year

2. Determination of Projects for funding; Payment of funds to District. By no later than April 1 of the first year of receipt of the Annual Project Fee by the County, District shall submit a plan for expenditure of funds for that year, on curb appeal projects related to buildings and grounds and/or improvements required as a result of a mandated change of the District's high school mascot, to the City and County for their approval. The plan submitted by the District may request the banking of funds for more than one year or payback of a multi-year loan in order to combine funds to do a project larger than one year's allocation. The City and County shall provide their response to the District's plan within 45 days of receipt of the expenditure plan. For each successive year for which the District seeks to receive funds under this Agreement, the District shall submit its plan for expenditure of the funds to the City and County by April 1, and the City and County shall provide their response to the proposed plan within 45 days of receipt of the proposed plan. The approved projects will receive funding from the portion of the Annual Project Fee which is paid to the District. The intent is that for the first five years the funds received under this agreement will be used on curb appeal projects or projects related to the mandated change to the high school mascot. The use of any funds received after first five years as allowed by this agreement will be negotiated between the District and City and County using the process outlined in this section for submission of a plan for expenditure of funds by the District, and review of that plan by the City and County.

For the first tax year in which the New Facility to be constructed by Design LLC is deemed to be in service as of the preceding January 1, and for any successive tax year in which the New Facility is deemed to be in service as of the preceding January 1 for that successive tax year, then on or before December 31 of the first qualifying tax year and any successive qualifying tax years, Design LLC will pay the Annual Project Fee of \$800,000 to the County. The County will take appropriate action to budget the amount of the Annual Project Fee to be disbursed. The City, County, and District understand and agree that the County intends to disburse the sum of \$240,000 allocated to the District within thirty (30) days of receipt of the Annual Project Fee from Design LLC or within thirty (30) days of approval of the annual plan for expenditure of the funds, whichever is later.

3. Annual Review of Provisions and Annual Report by District. The District also agrees that by no later than June 30 of any year during which this Agreement is in effect, representatives of the District will provide a report to the governing bodies of the City and County on the use of the funds which have been disbursed to the District.

4. Separate Accounts Required. The District will maintain separate accounts in which all monies received through the agreement will be identified and disbursed as allowed by this agreement.

5. Modification of Agreement. This Agreement may be amended by mutual written agreement of the Parties, signed by the Parties. The City and County specifically reserve the right as sponsor of the Enterprise Zone to make revisions concerning the distribution of the Annual Project Fee, including modification of the amounts disbursed and the entities receiving disbursements, and termination of the Annual Project Fee. Nothing in this Agreement shall be construed as restricting the right of the City or County to make changes concerning the uses of the Annual Project Fee, after the first year of receipt of the Annual Project Fee.

6. Term and Termination. The term of this Agreement shall commence upon the 5<sup>th</sup> day of May, 2014, and shall be terminated upon the distribution of the last Annual Project Fee by City and County, unless earlier terminated as provided for in this Agreement. Either party shall have the right to terminate this Agreement for any cause by providing the other party thirty (30) days written notice to the other party. In the event this Agreement is terminated by the City or County prior to the distribution of the last Annual Project Fee scheduled to be paid, the City and County shall retain the authority to determine the distribution of any Annual Project Fee paid by Design LLC following termination of the Agreement.

7. Agreement Effective. This Agreement when approved by the County Commission and executed by the authorized County officials, approved by the City Council and executed by its authorized officials, and approved by the District and executed by its authorized officials, shall be then adopted and in effect and its terms and provisions enforceable by each respective body.

IN WITNESS WHEREOF, the County, the City, and the District have executed this Agreement the day and year first above written.

**NORTH WASCO COUNTY SCHOOL DISTRICT #21**

By: [Signature]  
Name and Title

Approved as to Form:

[Signature]  
Jason Corey, Attorney for North Wasco County School District #21

**WASCO COUNTY**

By: [Signature]  
Rod Runyon, Commissioner

[Signature]  
Scott Hege, Commissioner

[Signature]  
Steve Kramer, Commissioner

Approved as to form:

[Signature]  
Eric Nisley, District Attorney

**CITY OF THE DALLES**

By: [Signature]  
Stephen E. Lawrence, Mayor

ATTEST:

[Signature]  
Julie Krueger, MMC. City Clerk

Approved as to form:

[Signature]  
Gene E. Parker, City Attorney

**"EXHIBIT A"**

**Conditional Use Permit No. 173-14  
Condition of Approval No. 13  
Proposed Modification**

13. During the 2017-2018 school year, North Wasco County School District #21 shall implement the procedures and practices set forth in the Arrival and Dismissal Procedures for Dry Hollow Elementary, and the Dry Hollow Drop-off and Pick-up Update dated September 24, 2017. The School District shall provide updates by no later than January 5, 2018, and April 6, 2018 to the Planning Commission as to the effectiveness of these procedures and practices in addressing traffic congestion in the area near Dry Hollow Elementary where students are dropped off and picked up.

In July, 2018, a hearing will be held before the Planning Commission where the School District will present a report as to progress in identifying a funding source for proposed capital improvements which are part of a long-term plan to address the traffic safety issues associated with the drop-off and pick-up of students at Dry Hollow Elementary.

As part of its report to the Planning Commission, the School District shall report on its efforts to secure an amendment to the intergovernmental agreement with the City and Wasco County related to annual project fees paid to the School District, pursuant to the Enterprise Zone Tax Abatement Agreement executed on September 24, 2013, to allow the project fees to be used as a source of funding for the capital improvements to be constructed as part of the School District's plan to address traffic safety issues associated with the drop-off and pick-up of students at Dry Hollow Elementary School.

The report shall also include estimated engineering and construction costs for the capital improvements, and a timeline for completion of construction of the capital improvements.

**RESOLUTION NO. 18-023**

**A RESOLUTION CONCURRING WITH THE  
MAYOR'S APPOINTMENTS ON VARIOUS COMMITTEES AND COMMISSIONS**

**WHEREAS**, there is are expired or vacant terms on various committees and commissions;  
and

**WHEREAS**, the Mayor has elected to reappoint Sherry DuFault to the Planning Commission,  
and to appoint Loyal Quakenbush to the open Museum Commission position;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL AS FOLLOWS:**

Section 1. The City Council concurs with the appointments of:

Sherry DuFault with term expiring April 30, 2022; and Loyal Quakenbush to the Museum  
Commission with term expiring June 30, 2019;

Section 2. This Resolution shall be effective September 10, 2018

**PASSED AND ADOPTED THIS 10<sup>th</sup> DAY OF SEPTEMBER, 2018.**

|                         |       |
|-------------------------|-------|
| Voting Yes, Councilors: | _____ |
| Voting No, Councilors:  | _____ |
| Absent, Councilors:     | _____ |
| Abstaining, Councilors: | _____ |

**AND APPROVED BY THE MAYOR THIS 10<sup>th</sup> DAY OF SEPTEMBER, 2018.**

SIGNED:

ATTEST:

\_\_\_\_\_

Stephen E. Lawrence, Mayor

\_\_\_\_\_

Izetta Grossman, City Clerk

**By-Laws of the**  
**Wasco County/City of The Dalles**  
**Museum Commission**

**ARTICLE I - NAME**

**Section I.** The Name of the Organization shall be the Wasco County/City of The Dalles Museum Commission. Alternatively known as the Fort Dalles Museum Commission, and Fort Dalles Museum/Anderson Homestead Foundation.

**ARTICLE II – PURPOSE/MISSION STATEMENT**

**Section I.** The purpose of the Museum Commission is to provide oversight of operations.

**Section II.** The Mission of Fort Dalles Museum and Anderson Homestead is to be dedicated to the preservation, conservation, education and interpretation of the military, architectural, agricultural, transportation and diverse cultural history that is unique to the Wasco County Area. *(Adopted by the Wasco County/City of The Dalles Museum Commission on July 2, 2013) [Revised April 12<sup>th</sup>, 2016]*

**ARTICLE III – GOVERNING BODY**

**Section I.** The Wasco County/City of The Dalles Commission members are volunteers appointed by Wasco County and the City of The Dalles.

1. The Commission shall consist of 7 representatives, as follows:
2. Three (3) are appointed by the City of The Dalles and must reside within the City limits.
3. Four (4) are appointed by Wasco County and must reside within Wasco County.
4. A Quorum, for the purpose of taking action, shall consist of 4 members.

**Section II.** The Commissions role is to determine the mission; set policy; develop long-range strategic plans and goals, work with the Museum Director and staff to further the museum's mission; monitor, assess and review performance and progress and manage museum resources effectively, with exception of such fiscal personnel decisions that are reserved by Wasco County/City of The Dalles.

**Section III.**

1. The Commission may have up to two (2) Ex-Officio members, appointed by the Commission. They will have all the privileges and responsibilities of Commissioners, except for voting privileges.
2. The Museum Commission has an Ex-Officio position on the Historic Landmarks Commission.
3. The Fort Dalles Museum/Anderson Homestead Foundation may have an Ex-Officio member on the Museum Commission

## **ARTICLE IV – MUSEUM COMMISSION OFFICERS**

### **Section I. OFFICE POSITIONS AND TERMS**

1. Officers of the Museum Commission include President, Vice-President, Secretary and Treasurer.
2. Officers are nominated and elected by the members of the Museum Commission.
3. Election of Officers will be held at the first meeting of the new calendar year. The new Officers will take office immediately upon election.
4. Officers are elected for a one year term.
5. Officers may serve consecutive terms without limits

## **ARTICLE V: DUTIES OF OFFICERS**

### **Section I. President**

1. The President shall be selected from the members of the Museum Commission in good standing and shall preside over all meetings of the museum commission.
2. The President shall have the usual powers and duties customarily vested in the office of President of the Commission and shall perform other duties as may be assigned to the President by the Commission.
3. Represent or send representative to City and County budget meetings
4. Act as liaison and spokesperson between the Museum Commission Board and other public or private entities, including Wasco County Commissioners and the City of The Dalles.
5. Make appointments as called for in the Bylaws and in the Policy.
6. The President of the Museum Commission shall have the authority to nominate and appoint ex-officio members, upon confirmation by vote of the museum commission.
7. Act as liaison between commission and staff.

### **Section II. Vice-President**

1. The Vice-President shall carry out the duties of the President in the absence or incapacity of the President.
2. The Vice President shall oversee the Fort Dalles Museum Membership Committee.

### **Section III. Secretary**

1. The Secretary shall keep permanent and complete records of all Museum Commission meetings and written records of correspondence.

### **Section IV. Treasurer**

1. The treasurer shall monitor the care and custody of all funds and money of the organization.

## **ARTICLE VI – CONFLICTS OF INTEREST**

**Section I.** Conflicts of interest by Commission members with regard to personal or family business and the Museum, both material and financial, must be disclosed.

## **ARTICLE VII – DUTY OF LOYALTY**

**Section I.** Commission members should do their best to preserve the ideals and goals of the Museum Commission when serving on boards of other organizations that could create a conflict of loyalty for the Museum Commission or for Fort Dalles Museum.

## **ARTICLE VIII – DUTY OF TRUST**

**Section I.** Every Museum Commission member should be familiar with the organizations governing documents, including: By-Laws and Policies, as well as the State of Oregon ORS statutes, City and County ordinance and policies, as provided by Wasco County and the City of The Dalles.

## **ARTICLE IX — TERM OF OFFICE**

### **Section I.**

1. Commission members shall serve a term of three (3) years as continued or as chosen by the Board of Wasco County Commissioners or City of The Dalles City Council.
2. All terms for Wasco County positions begin on January 1. All terms for City of The Dalles positions begin on May 1.
3. Terms are not limited.
4. A letter of resignation is requested when a Commission member wishes to step down.
5. Vacancies as in (4) above or by death or revocation of a member by residency requirements or other issues shall be advertised by the authoritative body, Wasco County/City of The Dalles OR those entities may use the recommendations of the Museum Commission for a replacement to fill a term.
6. The Museum Commission may record termination of a member, if the member has missed three (3) consecutive regular meetings without proper notification as determined by the Commission.

## **ARTICLE X – MEETINGS**

### **Section I.**

1. Meetings are open to the public and held monthly on the second Tuesday at 6pm, unless scheduled otherwise. Notices of meetings are publicly posted in Newspaper calendars and by other means as necessary.
2. Special meetings may be called as needed.
3. Executive Sessions may be called in accordance with the State of Oregon Public Records and Meeting Law.

## **ARTICLE XI – PERFORMANCE REVIEW – DIRECTOR/MANAGER**

### **Section I.**

1. The Museum Commission shall conduct a performance evaluation of the Museum Director and or Museum Manager(s) on an annual basis in accordance to the policy of Wasco County.
2. Results and discussion of such reviews will be part of an Executive Session.

## ARTICLE XII. COMMITTEES

### SECTION I.

1. In general, the Museum Commission will act as a Committee of the Whole in matters of Finance, By-Laws, Nominating, Fund Raising and Public Relations.
2. The Commission may form Committees, as needed and to assist with operation of the Museum. Such may include, but are not limited to: Collections, Publicity, Program, Personnel and or Volunteer recruitment, employee review, Membership, Buildings and Grounds, Maintenance and others that may help staff.

## ARTICLE XIII. AMENDMENTS

### Section I.

1. The Museum Commission may amend the By-Laws by a majority vote at a regular or special meeting, provided prior written notice has been given in accordance with the State of Oregon Public Records and Meetings Law.
2. The amendment will be the subject of two meetings. A vote shall occur at the second.

We ask the commissioners to listen and be respectful of each other's opinions and support the vote of the majority.

The By-Laws of the Wasco County/City of The Dalles Commission are hereby amended by a quorum of the Commission and approved by the Wasco County Commission and City of The Dalles City Council.

President \_\_\_\_\_

The Dalles City Council

Vice President \_\_\_\_\_

Stephen Lawrence (Mayor) \_\_\_\_\_

Secretary \_\_\_\_\_

Tim McGlothlin \_\_\_\_\_

Treasurer \_\_\_\_\_

Darcy Long-Curtiss \_\_\_\_\_

Member \_\_\_\_\_

Russ Brown \_\_\_\_\_

Member \_\_\_\_\_

Linda Miller \_\_\_\_\_

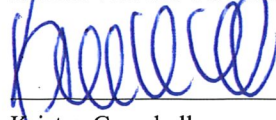
Member \_\_\_\_\_

Taner Elliott \_\_\_\_\_

Date: \_\_\_\_\_

Wasco County Board of Commissioners

APPROVED AS TO FORM:



Kristen Campbell

Wasco County Counsel



Steven D. Kramer, Chair

Scott C. Hege, Vice-Chair



Rod L. Runyon, County Commissioner

To: The Community Development Department  
The Dalles, Oregon

July 20, 2018



This is to request a refund of the appeal fee (\$380) following Resolution 18-021  
"Signed this 11<sup>th</sup> day of July, 2018" and received by me July 20, 2018

Reasons for the request:

An Adjustment Application was submitted to the city, its use prohibited as follows:

**"The Dalles Municipal Code 10.3.080.020 Applicability**

A. **Unless listed in subsection B of this section**, all regulations in the Ludo may be modified using the adjustment review process.

B. **Adjustments are prohibited for the following items:**

**6. To allow an increase in density in the RL zone."**

The 2 facts needing to be established to prohibit using the adjustment review process are:

- (1) Is the lot in question in the RL zone? **Every report verifies the lot is in the RL zone.**
- (2) What is the definition of density? (an increase not allowed in the RL zone)

According to The Dalles Municipal Code 10.2.030, the definition of density is:  
**"Density. The number of dwelling units per acre."**

Only one dwelling is presently allowed on the lot of its size. Putting 2 dwellings on the same lot is increasing the number of dwelling units, hence increasing the density per the exact definition. Use of 10.3.080.020 A and B prohibit use of parts C and D, used by the city without reference to Parts A and B in the staff report. Parts C and D cannot be used without determining first whether the conditions in Parts A and B are met. According to definitions and information, conditions are not met to use an Adjustment Review Process for the proposed purpose.

**Compliance Standards in 10.1.100 in The Dalles Municipal Code state:**

***'All officials and employees...of the City vested with authority to issue permits or grant approvals shall adhere to, and require conformance with, this Title....No person shall erect, construct, alter, maintain or use any building or structure in violation of this Title or any amendment thereto.***

Had the above sections of the Municipal Code been applied to the Adjustment Application when it was first submitted, the Adjustment Application would have been rejected by virtue of its purpose as stated on the Application, a clear increase in dwelling units (density) in the RL zone. Citizens would have been subject to no hearings nor appeals. Per Compliance Standards listed above, it is the responsibility of the City to grant approvals that adhere to City Code. When citizens are in a position that makes it necessary for them to hold the City accountable for not adhering to the code, they deserve to be reimbursed, as it was the duty of City officials to enforce the Municipal Code, relieving citizens of this burden. Therefore, refund is requested due to the necessity of filing an appeal per the explanation above (enforcement of Municipal Code the responsibility of the City, not its citizens).

Steve H. O. PO Box 81 The Dalles, OR

This tribute from my heart was inspired on July 18 after not being able to sleep past 4 a.m., my state of affairs since the first hearing May 3, a day after our youngest son's birthday. We were not able to be with him in Eugene as we were involved in a hearing here in The Dalles under circumstances difficult to bring to mind. Matters with the city have thrown a wrench into the first summer I have been able to be with my husband in The Dalles, our son stabilizing somewhat on experimental medication.

When thinking about our lives, I am reminded that every person testifying before the Planning Commission and the City Council have stories to tell about themselves and their families...each person with intrinsic value...and I have learned a lot about those stories as I met neighbors in efforts to address neighborhood concerns. One neighbor I met before 5:30 a.m. whom I have never before seen in the neighborhood. I was walking on 13<sup>th</sup> and Perkins to take a picture of the new digging right next to the property line, a number of disturbing developments having occurred, including precious trees removed there. To my great surprise, a gate opened and a neighbor came to meet me, commiserating about the "developments" – what I learned about the developer and his interactions in the past confirmed my recent experiences...not to be repeated here.

But, life has its blessings, even today. After delivering a document to the city, I went to the recycling place. There I met a man pulling a cart and picking up nails, this the second time. The first time I met him, we had a long conversation, he telling me about his travels, me amazed at his life. He appeared to me to be a homeless person ( quick judgments are often wrong), and I invited him to our home for lunch, wanting to give something back to him for his service to the city. He politely declined.

.....Today, I went to him again, and he remembered me. I had just purchased 2 pints of ice cream at Grocery Outlet (my favorite kind called Zero), and I instantly thought "I must have purchased 2 so that I can give one to him." When I offered him a pint, he refused, saying "I can eat grass like the cows do." Impressed, I listened as he told me 3 stories of cows that he had seen in conditions that were not humane. With each story, I sensed his tender heart for all of God's creation, and by the end I could not hold back the tears. I sensed, very deeply, that if all human beings had the heart of this unassuming man, this world would be a different world. If only.....we human beings regarded each other as this man regarded animals...(and human beings, I can tell).

With my face streaming with tears, I had a conversation with the person at the recycling place, we both agreeing the world needed more persons with hearts like his. This was the best part of my week.

*A reminder of who we all are - + can be*

A Tribute Celebrating our Wedding Anniversary  
(July 27 – 40+ years)

This is to recognize and honor my father, my husband, and our sons...all persons who have walked this earth with honor, with values I hold dear: honesty; respect; kindness; caring; the will to contribute talents and gifts for the benefit of many; and enduring love.

My father: a shining example of trustworthy character; faithful and true to his wife; always a support for his children; a man who loved the outdoors and God's creation. He was a leader in his community: chairman of the school board; deacon in his church; a member of a quartet that travelled the state, his family benefitting as they also participated; a champion of the elderly and less fortunate, attending to them in services of many types; valued in the community for his character and contributions, a part of his town's museum. He was uncomplaining while cancer took his life on this earth, a man of abounding grace.

My husband: a reflection of qualities I so admired in my father; a gentle, sensitive spirit; gifted in so many ways... a keen mind; a lovely singing voice; a desire to give of himself to his fellow man; a leader in his faith community everywhere he has gone, soon recognized for qualities that make him an exceptional leader and someone to be trusted. In addition, a person with whom I have been able to share musical gifts with so many others in so many venues in life; a partner and father for whom I thank God.

Our older son: a person of impeccable character, upholding values rare in this day and age; volunteering 3 years of his adult life to service for God and mankind; gifted in so many ways...writing and performing music that speaks to youth (and adults); a keen mind used for the benefit of others even in his work; a father following in the footsteps of his father and grandfather, devoted to family; a person admired by so many across this nation for his musical performances and delightful personality.

Our younger son: a person of impeccable character with unusually gentle, sensitive spirit; respectful and soft-spoken; trustworthy beyond the shadow of a doubt; honest; kind-hearted; his keen mind and outstanding character recognized by his college when he was chosen top male graduate of his college class across all areas of study. This remarkable person, our son, has endured health and related challenges in his life in recent years with unending grace, a true reflection of his grandfather. In the face of very difficult circumstances, he has shown remarkable patience and character.

Who am I to have been graced to share life with such outstanding and exemplary human beings?... a very grateful person; a fortunate daughter, wife, and mother (also teacher and friend to God's creation: human beings, trees, flowers, birds, sky, air, water, etc.)

**Written** by a loved and loving daughter, wife, and mother  
for the occasion of her wedding anniversary **as a reminder of who we really are in the midst of heart-  
rending, health-impacting, life-changing neighborhood challenges endured in the sunset of life at 72**





## AGENDA STAFF REPORT

**AGENDA LOCATION:** Public Hearing Item #11 A-B

**MEETING DATE:** September 10, 2018

**TO:** Honorable Mayor and City Council

**FROM:** Dave Anderson, Public Works Director

**ISSUE:** Establishment of Reimbursement District and Fees for 18-Inch Port Industrial Water Main Improvements

**BACKGROUND:** City Council authorized the formation of a reimbursement district related to the construction of a new 18-inch diameter water main to serve the Port Industrial Area with adoption of Resolution No. 16-003 on February 8, 2016; that process included an informational public hearing. The “developer” for which the district was formed is Design LLC which provided half of the funding needed for construction of the new pipeline. The reimbursement district was formed before the pipeline was constructed and project costs and reimbursement fees were estimated at that time. The project is now completed and the district boundaries and reimbursement fees can be finalized based on current mapping and actual costs. A Public Works Director’s Report has been prepared to present information relevant to the proposed reimbursement district and fees.

The Dalles Municipal Code Section 2.12.050(C) requires that, when a reimbursement district is formed prior to construction of the improvements, a second public hearing is to be conducted, for informational purposes only, to modify the original resolution to reflect the actual costs of the improvements. Following the public hearing, the City Council may approve, reject or modify the recommendations contained in the Public Works Director’s Report. All affected property owners were notified of the scheduled public hearing at least 10 days in advance. Following conclusion of the informational hearing, if Council so desires, the attached Resolution No. 18-024 can be adopted which finalizes the process of forming the reimbursement district for the Design LLC by amending the district map and establishing the reimbursement fee. The resolution also directs the City Manager to enter into an agreement with Design LLC to implement the terms of the reimbursement district.

The project was completed under the estimated budget and the proposed reimbursement fees are less than the range of fees presented in the previous Public Works Director's Report and Resolution No. 16-003. Since the formation of the reimbursement district, two parcels have been sold to new owners and slightly reconfigured through lot-line adjustments; the mapping for the district has been updated accordingly. In addition, the routing for the pipeline was finalized, which was previously pending acquisition of needed easements. The final location of the pipeline will not allow direct service to the undeveloped portion of the NORCOR property, so that parcel has been eliminated from the reimbursement district. The NORCOR property can be served from water mains in Webber Street if needed in the future.

When the reimbursement district was formed in 2016, some property owners requested that the reimbursement fees be based upon developable acres of a parcel rather than on total lot size due to potential wetlands restrictions. At the time, the City did not have adequate information for all parcels to be able to accommodate this request. The previous Public Works Director's Report stated "It is believed that wetland assessments are underway for other parcels within the proposed reimbursement district. If information is available from those assessments for all parcels within the reimbursement district by the time the project is constructed and the reimbursement fees are finalized, it is proposed that the basis for assessment be changed to "net developable acres"." The City now has the needed information and staff is proposing to utilize developable area as the basis for calculating reimbursement fees.

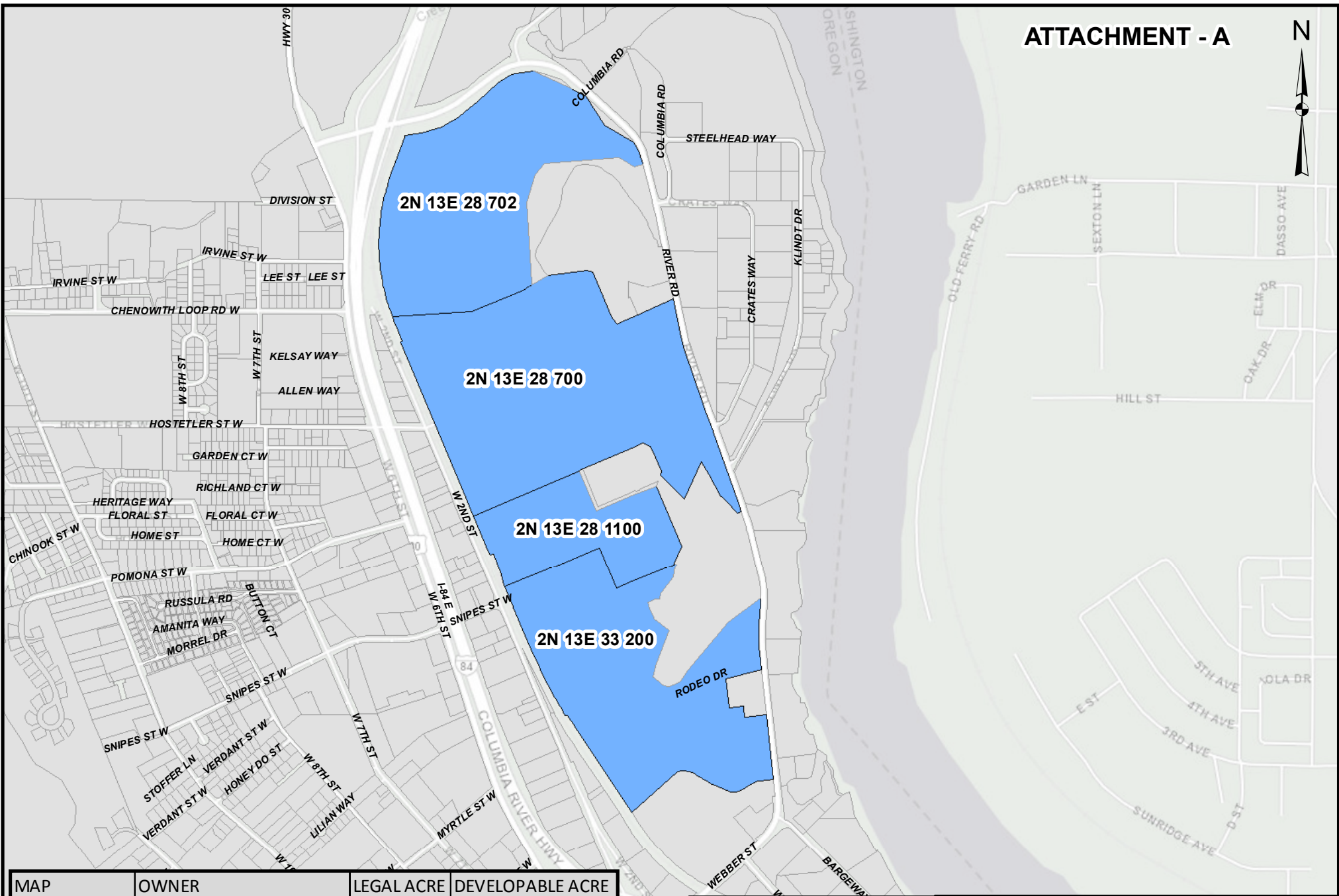
**BUDGET IMPLICATIONS:** Design LLC has paid the \$1000 application fee. If the proposed reimbursement district and fees are approved by City Council, Design will be required to pay to the City an administration fee of \$50 per qualifying lot, a total of \$200, at the time of signing the reimbursement agreement. Simple interest will accrue on the unpaid reimbursement fees at the rate of 3.50% annually which shall not compound. As properties within the reimbursement district develop or connect to the City water system, they will be required to pay a reimbursement fee of \$3,732.44 per acre of developable land within the parcel. All reimbursement fees collected, including interest, will be paid to Design LLC.

**ALTERNATIVES:**

A. Staff Recommendation: Following the public hearing, *move to adopt Resolution No. 18-024 establishing a reimbursement district and reimbursement fees for the 18-Inch Port Industrial Water Main Improvements reimbursement district as presented in the Public Works Director's Report.*

B. Deny adoption of Resolution No. 18-024 and provide additional direction to staff.

# ATTACHMENT - A



| MAP            | OWNER                  | LEGAL ACRE    | DEVELOPABLE ACRE |
|----------------|------------------------|---------------|------------------|
| 2N 13E 28 702  | MALEY LLC              | 67.20         | 58.20            |
| 2N 13E 28 700  | DESIGN LLC             | 96.80         | 96.80            |
| 2N 13E 28 1100 | SAPA EXTRUSIONS INC    | 28.10         | 28.10            |
| 2N 13E 33 200  | MORaine INDUSTRIES LLC | 73.03         | 73.03            |
| Total          |                        | <b>265.13</b> | <b>256.13</b>    |

## PROPERTIES IN DISTRICT



CITY OF THE DALLES  
1215 WEST 1ST STREET  
THE DALLES, OR 97058

City of The Dalles Public Works Department

PORT WATER MAIN

REIMBURSEMENT DISTRICT

T. STEPHENS Page 61 of 68

1 Inch = 1,200 Feet

Date: 8/29/2018

## **RESOLUTION NO. 18-024**

### **A RESOLUTION ESTABLISHING A REIMBURSEMENT DISTRICT FOR WATER SYSTEM IMPROVEMENTS FROM WEBBER STREET TO RIVER ROAD; AND ESTABLISHING REIMBURSEMENT FEES**

**WHEREAS**, the City Council adopted General Ordinance No. 06-1275 on December 11, 2006, authorizing the creation of reimbursement districts for the purpose of making water system and sanitary sewer system public improvements; and

**WHEREAS**, City of The Dalles and Design LLC, entered into a Development Agreement wherein the City would construct a new 18-Inch Diameter Port Industrial Water Main Pipeline and Design LLC would pay for 50% of the construction costs of the project; and

**WHEREAS**, Design LLC, acting as the Developer under the provisions of General Ordinance No. 06-1275, has submitted a request for the formation of a reimbursement district for the project involving the construction of an 18-Inch Diameter Port Industrial Water Main from Webber Street to River Road; and

**WHEREAS**, the improvements can benefit properties other than those owned by Design LLC when they develop in the future; and

**WHEREAS**, the Public Works Director has reviewed and evaluated the application submitted by the Developer and has submitted a written report to the City Council; and

**WHEREAS**, the City mailed notice of the proposed reimbursement district to the Developer and all owners of property within the proposed district; and

**WHEREAS**, the City Council conducted an informational public hearing on January 11, 2016, to consider the Public Works Director's report dated December 18, 2015, and to allow any interested person an opportunity to comment on formation of the proposed reimbursement district; and

**WHEREAS**, the City Council adopted Resolution No. 16-003 on February 8, 2016 forming a reimbursement district related to the construction of water system improvements from Webber Street to River Road; and

**WHEREAS**, the project to construct water system improvements from Webber Street to River Road has been substantially completed and the costs of construction finalized; and

**WHEREAS**, the City mailed a second notice of the proposed reimbursement district to the Developer and all owners of property within the proposed district; and

**WHEREAS**, the City Council conducted a second informational public hearing on September 10, 2018, to consider the Public Works Director's report dated August 28, 2018 recommending finalized reimbursement fees, and to allow any interested person an opportunity to comment on the recommended reimbursement fees;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF THE DALLES  
RESOLVES AS FOLLOWS:**

Section 1. Report Approved. The Public Works Director's report dated August 28, 2018, a copy of which is attached to this Resolution as Exhibit "A" and incorporated herein by this reference, is hereby approved.

Section 2. District Established. A reimbursement district for the construction of an 18-inch diameter Port industrial water main from Webber Street to River Road, established February 8, 2016, is hereby amended. The reimbursement district shall include the properties described in Section 5 of the Public Works Director's report, attached hereto and incorporated herein by this reference.

Section 3. Reimbursement Fee. Payment of the applicable reimbursement fee of \$3,732.44 per acre of developable lot size specified in the Public Works Director's report is a precondition of receiving City permits applicable to the development of parcels located within the reimbursement district pursuant to The Dalles Municipal Code 2.12.100.

Section 4. Administration Charge. The amount of the administration charge, as outlined in The Dalles Municipal Code Section 2.12.030(E), shall be \$50 per lot for a total of \$200, payable to the City at the time the reimbursement agreement is signed.

Section 5. Interest Rate. The interest rate to be applied to the reimbursement fee shall be 3.5% per year as a fixed, simple rate that will not compound.

Section 6. Agreement with Developer. The City Manager is hereby instructed to enter into an agreement with the Developer pertaining to the improvements constructed pursuant to the reimbursement district as provided for in The Dalles Municipal Code Section 2.12.060(C)(6).

Section 7. Effective Date. This Resolution shall be considered effective as of September 10, 2018.

**PASSED AND ADOPTED THIS 10<sup>TH</sup> DAY OF SEPTEMBER, 2018.**

Voting Yes, Councilor: \_\_\_\_\_

Voting No, Councilor: \_\_\_\_\_

Absent, Councilor: \_\_\_\_\_

Abstaining, Councilor: \_\_\_\_\_

**AND APPROVED BY THE MAYOR THIS 10<sup>TH</sup> DAY OF SEPTEMBER, 2018.**

\_\_\_\_\_  
Stephen E. Lawrence, Mayor

ATTEST:

\_\_\_\_\_  
Izetta Grossman, City Clerk

Exhibit A  
**PUBLIC WORKS DIRECTOR'S REPORT**  
August 28, 2018

In Response to an Application submitted by Design LLC (Design) for Establishment of a Reimbursement District for an 18-Inch Port Industrial Water Main Improvement in the Proposed Amount of between \$1,057,710 and \$1,238,963.

**SECTION 1: CONTENT OF PUBLIC WORKS DIRECTOR'S REPORT**

This report follows the criteria established in General Ordinance 06-1275 which was approved by City Council on December 11, 2006; the terms of that ordinance are now included in Municipal Code 2.12. This written report considers and makes a recommendation concerning each of the following factors:

- A. The project for which an application has been made for formation of a reimbursement district, the reasons for the cost distribution proposal, and an evaluation of the public interest served by the project.
- B. The actual or estimated cost of the public improvement serving the area of the proposed reimbursement district and the portion of the public improvement cost that is reimbursable.
- C. The boundary and size of the reimbursement district.
- D. A methodology for spreading the cost among the properties within the reimbursement district and, where appropriate, defining a "unit" for applying the reimbursement fee to property which may, with City approval, be partitioned, subdivided, altered or modified at some future date.
- E. The amount to be charged by the City for an administration fee for the reimbursement agreement. The administration fee shall be fixed by the City Council and will be included in the resolution approving and forming the reimbursement district. The administration fee is due and payable to the City at the time the agreement is signed.
- F. Whether the public improvements will or have met City standards.

**SECTION 2: APPLICATION FOR ESTABLISHMENT OF REIMBURSEMENT DISTRICT**

Design has made application for the establishment of a reimbursement district for a public improvement as outlined in Section 2 of City of The Dalles General Ordinance 06-1275. The project is:

- The construction of an 18-inch diameter water main extending from Webber Street north, generally along the UPRR railroad tracks and/or in West 2<sup>nd</sup> Street and crossing private properties to a point near the intersection of River Road and River Trail Way, including all appurtenances to make a complete system. The project will serve commercial and industrial properties within the Port Industrial Area. The reimbursement district would be related to 50% of the total eligible construction-related costs of the project; the City of The Dalles (City) is funding the other 50% of the project. The application was made in accordance with the requirements of Section 2 of General Ordinance 06-1275. The applicant has paid the required application fee.

I have read the project description in the application, reviewed project plans and inspection reports, and reviewed the project with technical staff which indicated that the 18-inch Port Industrial Water Main improvements were designed and constructed to comply with city standards and provide safe and effective water service to the affected area. The project achieved substantial completion on June 29, 2018.

The concept of financing this type of project utilizing a Reimbursement District has been acceptable to the City Council, as indicated by the adoption of General Ordinance 06-1275. This improvement has been determined to be important and beneficial to the identified properties in the area if they develop or connect to the City water systems and, therefore, cost sharing conditions are proposed on those properties prior to their development or connection. The City Council authorized formation of the reimbursement district with the adoption of Resolution No. 16-003 on February 8, 2016. The properties which had not made application for any development at that time, but which will benefit from the improvements, when developed, are included in the reimbursement district.

### **SECTION 3: FINANCING FOR THE 18-INCH PORT INDUSTRIAL WATER MAIN REIMBURSEMENT DISTRICT**

The City funded 50% of the construction cost of the project and Design financed the other 50% of all eligible construction-related costs associated with the 18-inch Port Industrial Water Main improvements, and the services provided by these public improvements are available to properties other than those owned by the City or Design. The construction-related contracted costs that were anticipated to be paid by Design were included in the application.

### **SECTION 4: COST OF THE PUBLIC IMPROVEMENT SERVING THE PROPOSED REIMBURSEMENT DISTRICT**

The total construction cost of the project was projected to be between \$2,115,421 and \$2,477,926, depending on the route ultimately selected; the actual cost of construction was \$1,911,982.53. The route for the pipeline was determined after completing easement negotiations with property owners and accommodating wetland restrictions. City Engineering Staff designed the project in-house. The City issued and managed the construction contract; City and Design split the construction costs on a 50/50 basis and the formation of this reimbursement district is intended to reimburse Design for its share of the construction costs as other users connect to the improvements. Based upon the actual cost of construction, it is recommended that the reimbursable costs be established at \$955,991.26.

### **SECTION 5: BOUNDARY AND SIZE OF THE REIMBURSEMENT DISTRICT**

In accordance with General Ordinance 06-1275, now The Dalles Municipal Code Section 2.12, the reimbursement district provides a mechanism whereby both previously conditioned properties and future developable properties will share in the costs of the public improvements that have been funded by Design. By resolution, properties owned by or dedicated to the City or the State of Oregon are excluded from any reimbursement district.

There are certain other undeveloped properties and properties not currently connected to the City water system within the Port Industrial Area that will benefit from the improvements when they are developed or connected in the future.

The following reimbursement district properties are to be considered as part of the reimbursement

agreement for the 18-inch Port Industrial Water Main water system improvements:

1. Tax Lot 2N 13E 28 702 (map 2N 13E 28 revised 8-7-2015) owned by Maley LLC
2. Tax Lot 2N 13E 28 700 (map 2N 13E 28 revised 8-7-2015) owned by Design LLC
3. Tax Lot 2N 13E 28 1100 (map 2N 13E 28 revised 8-7-2015) owned by SAPA Extrusions Inc
4. Tax Lot 2N 13E 33 200 (map 2N 13E 33 revised 7-6-2011) owned by Moraine Industries LLC

These properties are outlined in the map included as Attachment "A".

After the reimbursement district was originally authorized in February 2016, the routing of the new 18-inch diameter pipeline was finalized. Due to the final location of the pipeline, it will not be feasible to serve the undeveloped portion of the NORCOR property, Tax Lot 2N 13E 33 500 (map 2N 13E 33 revised 7-6-2011), from the new pipeline. Instead, it can be served from the existing water distribution main in Webber Street when it develops. For this reason, the 5 acres owned by NORCOR that was originally included in the reimbursement district has been removed.

Two of the parcels originally included in the reimbursement district, Tax Lots 2N 13E 28 700 and 2N 13E 33 200, have changed ownership and been slightly reconfigured since the formation of the district. The property list above and the reimbursement district map have been updated accordingly.

## **SECTION 6: METHODOLOGY FOR REIMBURSEMENT FEE ALLOCATION TO REIMBURSEMENT DISTRICT**

The reimbursement district for the 18-inch Port Industrial Water Main water system improvements includes property that is all commercially or industrially zoned. All of the reimbursement properties are located within the Urban Growth Boundary, north of Webber Street, east of I-84 and west of River Road.

There are a number of methods that could be used for apportionment of costs for a reimbursement agreement for water improvements: linear frontage, lot size or area, or number of lots. The lots proposed for this reimbursement district are of irregular size and shape. It is impossible to accurately predict how they may be developed in the future. Some of the lots could be partitioned into smaller lots, or consolidated into larger ones. Also, the linear frontage of these lots does not realistically reflect the relative value of the improvement to each lot.

The size of each lot most closely represents the potential value each may receive from the improvements, with larger lots potentially supporting larger developments with greater utility demands. Therefore, the method proposed for apportionment of costs for this reimbursement district is area (measured in acres). Each acre of area in the proposed district has equal opportunity to receive water services from the 18-inch Port Industrial Water Main water system improvements. Since the value of the improvement to all property in the proposed district is equal, area-based assessments are recommended.

The existence of wetlands on some of the parcels within the proposed reimbursement district will likely restrict and reduce the amount of developable lands on at least one lot. The City has received information adequate to base reimbursement fees upon "net developable area" rather than total parcel size. This consideration was requested by some property owners when the reimbursement district was formed and the previous Public Works Director's Report indicated that "net developable acres" would ultimately be used as a basis for calculating reimbursement fees if needed information was available when fees were to be finalized. Therefore, it is proposed to form the reimbursement district with fees based upon net developable area rather than total parcel size.

Utilizing the methodology outlined above, a district with a total developable area of 256.13 acres is proposed; 9.0 acres of Tax Lot 2N 13E 28 702 were removed from the reimbursement fee calculation due to their dedication for wetlands mitigation. It is recommended that the reimbursement fee be established at \$3,732.44 per acre; this reimbursement fee is less than the range of fee estimated in Resolution No. 16-003.

**SECTION 7: ADMINISTRATIVE FEE AND INTEREST RATE TO BE APPLIED TO REIMBURSEMENT DISTRICT**

- A. It is recommended that the administration fee as outlined in The Dalles Municipal Code Section 2.12.030(E) shall be as follows:
  - \$50 per qualifying lot, for a total of \$200, payable to the City by the applicant at the time the reimbursement agreement is signed.
- B. It is recommended that the interest rate to be applied to the unpaid reimbursement fee be fixed at three and one-half percent (3.50%), the federal prime interest rate on December 18, 2015, the date of the original Public Works Director's Report recommending formation of the reimbursement district. It is proposed that interest accrual on the reimbursement fee start 30 days after the effective date of the formation of the reimbursement district. The current Municipal Code defines that the interest rate shall be fixed and computed against the reimbursement fee as simple interest and will not compound.