

**CANBY CITY COUNCIL
REGULAR MEETING MINUTES
October 1, 2008**

Presiding: Mayor Melody Thompson.

Council Present: Paul Carlson, Teresa Blackwell, Wayne Oliver, Walt Daniels, Randy Carson. Councilor Tony Helbling was absent.

Staff Present: Mark Adcock, City Administrator; John Kelley, City Attorney; Catherine Comer, Economic Development Manager; Dwayne Barnes, Public Works Director; Sue Engels, Finance Director; Jorge Tro, Police Lieutenant; Bob Godon, Building Inspector; and Kim Scheafer, City Recorder Pro-Tem.

Others Present: Curt McLeod, Nancy Bush, John Dewar, Ruth Good, Fred Kahut, John Henri, Charles Burden, Jason Padden, Roger Reif, Bob Cornelius, Dan Zimmer, M. Borg, Doug Sprague, and Joe Cook.

CALL TO ORDER: Mayor Thompson called the Regular Meeting to order at 7:30 p.m. followed by the opening ceremonies.

Presentation by Clackamas County on Community Disaster Exercise – Nancy Bush, Clackamas County Department of Emergency Management, said that the City would be participating in a disaster exercise on November 7 from 3 to 7 p.m. at the fairgrounds. The scenario would be a public health emergency. Ms. Bush reviewed a handout that described what would take place during the exercise and the procedures that would take place in a real emergency. There would be a drive-through pod and they would give people free flu shots that day.

COMMUNICATIONS: None.

CITIZEN INPUT & COMMUNITY ANNOUNCEMENTS: None.

MAYOR'S BUSINESS: Mayor Thompson said there would be a Candidates and Issues Forum at Hope Village on October 2.

COUNCILOR COMMENTS & LIAISON REPORTS: None.

CONSENT AGENDA: ****Councilor Daniels moved to approve the minutes of the September 17, 2008 City Council Regular Meeting. Motion was seconded by Councilor Carson and passed 5-0.**

PUBLIC HEARINGS: Remonstrance Hearing for South Walnut Street LID - Catherine Comer, Economic Development Manager, said the purpose for the public hearing was forming a Local Improvement District on S. Walnut Street located in the Canby Pioneer Industrial Park. The City had been working with the property owners for a year. The City would get a short term construction loan, complete the project, and then form the LID and allocate the costs among the property owners.

Curt McLeod, City Engineer, said the project impacted 11 properties, and four of them also had frontage on Mulino. Those four would still have developmental requirements when they came in. The project would build a new connection between Walnut Street that would serpentine over to the existing Walnut Street, continue north, and create a half street on SE 4th Avenue. The project was 1,500 feet long and the total cost was \$1,080,000. In addition, they had \$27,000 worth of SDC credits that would be funded directly from the City's sanitary sewer SDC. Construction would be complete in the summer of 2009, the LID assessments would be adopted in the fall of 2009, and the debt service payments would become due in the spring of 2010. Interim financing would be secured to carry the project cost until project completion and assessment of the cost to the property owners.

John Kelley, City Attorney, said if more than two thirds of the people affected by the assessment remonstrate or object to the project and assessment, then the Council could not go forward with the project. A remonstrance letter had been received from Gilbert and Adelyn Borg.

Ruth Good said she was the daughter of Gilbert & Adelyn Borg. Ms. Good read the Borg's letter into the record. The \$224,000 was devastating to them on a limited income.

John Dewar said he lived across the street from Zoar Lutheran Cemetery. His property bordered the Borg's property and they were his in-laws. The real estate market was in a down turn and two properties next to them had no buildings on their property. They had a home and other outbuildings. It was their home and they did not know how long it would take to get someone to purchase the land and build on it. He was also concerned about the Borgs and where they would go. He was opposed to the LID.

Councilor Carlson asked what would happen if it passed and someone could not make the debt payments.

Mr. Kelley said when they were notified of the assessment, they had 10 days to notify the City for a payment schedule. The City would determine the interest rate and how often the payments would be made and for how long. A lien would be placed on the property and they would be paid off from the proceeds of the sale of the property or they could foreclose on the property if they did not make the payments.

The two remonstrances equaled 25%, which was not two-thirds and the Council could go forward. There was a provision that the Council had authority to decide not to go forward with this although they would have to recover the costs of any money that was borrowed.

Councilor Carson said the \$5 per square foot was a low-ball number that was just going to be used for transferring the properties on the right of ways.

Mr. McLeod said the property owners came up with that number.

Councilor Carlson asked what would happen if they did not pass this.

Mark Adcock, City Administrator, said the project would not go forward as there would be no source to retire the debt.

Councilor Carson said if they did not do this they were saying that part of the Industrial Park was in remission for a long time in the future. If they wanted to keep their industrial park thriving they needed to put this road in at this time.

Councilor Carlson asked if there were any prospects for this property as the economy was not as good and he wondered if the timing was right.

Ms. Comer said the majority of the property owners in this area approached the City and said that this property needed to be developed with infrastructure to continue to develop the industrial park. She had a business waiting to purchase one of these properties after the improvements were made.

Councilor Daniels said years before they had made the industrial park a priority and one of the things that made it a success was to have shovel ready property.

Councilor Blackwell said 75% of the property owners in this area were waiting for this decision.

Mayor Thompson said the risk was the economy, but 75% of the property owners were saying they wanted to incur the debt even with the economy and they were looking toward moving forward.

Councilor Carson asked if a property owner sold only a piece of their property, would they pay the whole LID at that time.

Mr. Kelley thought if they sold any portion of the property the lien was to be paid off.

Sue Engels, Finance Director, said they had to go through a land use process to divide it. At that time staff divided the obligation up by square footage to the newly created parcels.

****Councilor Carson moved that the City Council move forward with the formation of a Local Improvement District (LID) for South Walnut Street, located in the Canby Pioneer Industrial Park and authorize the Canby Urban Renewal Agency to apply for necessary funding for engineering and construction consistent with Option 2 of the City Engineer's Revised Report dated September 4, 2008. Motion was seconded by Councilor Daniels and passed 5-0.**

Building Department Fee Increases – Mayor Thompson asked how long it had been since the fees had been increased.

Bob Godon, Building Inspector, said the fees had not been increased since 1976.

Mayor Thompson asked for citizen comment and there was none.

****Councilor Blackwell moved to adopt Resolution 1004, A RESOLUTION ADOPTING FEES FOR THE CITY OF CANBY BUILDING DEPARTMENT. Motion was seconded by Councilor Carson and passed 5-0.**

RESOLUTIONS & ORDINANCES:

Resolution 1007 – Mr. Kelley said they had received a letter from Roger Reif for Canby Disposal asking for a rate adjustment under their current franchise agreement. The Council had to approve any proposed rate increase. The last time there was a rate increase was 1997.

Mayor Thompson said the services donated to the City for cart and containers was nearly \$70,000 and for event clean up was \$20,337. They donated to several other community organizations and helped clean up an emergency at the Wastewater Treatment Plant.

****Councilor Carson moved to adopt Resolution 1007, A RESOLUTION AUTHORIZING A RATE INCREASE AND ESTABLISHING A NEW RATE SCHEDULE FOR GARBAGE COLLECTION BY CANBY DISPOSAL WITHIN THE CITY OF CANBY. Motion was seconded by Councilor Daniels and passed 5-0.**

Resolution 1008 – Mr. Adcock said he had contacted the Council about transferring funds from Contingency of \$3,500 for public information campaign costs for the police and court facility bond.

****Councilor Carson moved to adopt Resolution 1008, A RESOLUTION AUTHORIZING A TRANSFER OF APPROPRIATIONS FROM AN EXISTING CATEGORY TO ANOTHER EXISTING CATEGORY WITHIN THE GENERAL FUND. Motion was seconded by Councilor Daniels and passed 5-0.**

Mayor Thompson said this was for an information only sheet not an advocacy sheet.

Ordinance 1296 – ****Councilor Blackwell moved to approve Ordinance 1296, AN ORDINANCE ADOPTING FINDINGS OF FACT, CONCLUSIONS AND FINAL ORDER IN LAND USE APPLICATION TA 08-01; AMENDING TITLES 12 AND 16 OF THE CANBY MUNICIPAL CODE (CMC) REGARDING DESIGN STANDARDS FOR DOWNTOWN AND HIGHWAY 99E COMMERCIAL DEVELOPMENT IN CANBY, OREGON BY AMENDING CMC CHAPTERS 12.12, 16.04, 16.10 AND 16.49; ADDING CHAPTER 16.41 TO THE CMC; AND AMENDING THE ZONING MAP TO APPLY A NEW OVERLAY ZONE TO SPECIFIC PROPERTIES IN CANBY to come up for second reading on October 15, 2008. Motion was seconded by Councilor Oliver and passed 5-0 on first reading.**

NEW BUSINESS: Report on Public Art on SE 13th Avenue – Dwayne Barnes, Public Works Director, showed the Council a picture of artwork that would be installed on 13th Avenue. The artwork would include three bronze salmon placed in a median strip on the east side of 13th Avenue. The fish were cast by a local artist and the cost of the project was \$7,900.

Councilor Daniels suggested putting out more No Parking signs.

Councilor Blackwell confirmed that the fire trucks would be able to maneuver around.

Councilor Carson said the calming devices were installed because of neighborhood concern.

CITY ADMINISTRATOR'S BUSINESS & STAFF REPORTS: None.

CITIZEN INPUT: None.

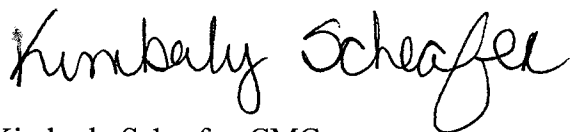
ACTION REVIEW:

1. Approved the consent agenda.
2. Staff would move forward with the Walnut Street LID.
3. Adopted Resolution 1004.
4. Adopted Resolution 1007.
5. Adopted Resolution 1008.
6. Approved Ordinance 1296 to come up for second reading on October 15, 2008.

****Councilor Daniels moved to go into Executive Session pursuant to ORS 192.660(2)(e) Real Property and ORS 192.660(2)(h) Pending Litigation. Motion was seconded by Councilor Carson and passed 5-0.**

Mayor Thompson read the Executive Session format and recessed the Regular Meeting at 9:00 p.m.

Mayor Thompson reconvened the Regular Meeting at 9:36 p.m. and immediately adjourned.



Kimberly Scheafer, CMC
City Recorder Pro Tem



Melody Thompson
Mayor

Assisted with preparation of minutes – Susan Wood