

CANBY CITY COUNCIL
WORKSHOP SESSION
OCTOBER 18, 2000

PRESENT: Mayor Scott Taylor, Council members Walt Daniels, Barry Lucas, Randy Carson, Shirley Strong, Terry Prince, and Roger Harris, Budget Committee members Melody Thompson and Jeff Robison, City Administrator Mark Adcock, City Treasurer Chaunee Seifried, Community Development Director Jerry Pineau, Recreation Services Director Beth Saul, Scott Muller, and David Howell.

Mayor Taylor called the session to order at 6:50 p.m. A light dinner was served.

The Council discussed the 1997-98 and 1998-99 audits.

Mayor Taylor adjourned the session at 7:10 p.m.

REGULAR SESSION
OCTOBER 18, 2000

Mayor Scott Taylor presiding. Council members present Walt Daniels, Barry Lucas, Randy Carson, Shirley Strong, Terry Prince, and Roger Harris.

Also present: City Administrator Mark Adcock, City Attorney John Kelley, Community Development Director Jerry Pineau, City Treasurer Chaunee Seifried, Recreation Services Director Beth Saul, Susan Wood, Dave Eatwell, Robin Adcock, Ed Armstrong, Craig Finden, Pat Johnson, Beth Waage, Tim Gross, David Howell, and Ray Burden.

Mayor Taylor called the regular session to order at 7:33 p.m., followed by the opening ceremonies.

PROCLAMATION: Make a Difference Day - Mayor Taylor read the proclamation declaring October 28, 2000 as Make a Difference Day in Canby. Robin Adcock, Youth Liaison Coordinator for Canby School District, said in March of this year, the City, Canby School District, Blue Heron Recreation District, and Todos Juntos participated in a Youth Summit. They identified some needs that were very important. Some of the most obvious ones were opportunities for young people to experience community service, interaction with adults outside of school, and to give those children and students activities which connected schools to the real world. In September, a team went to a conference in Pendleton. The team consisted of two members of the Police Department, School Resource Officer Steve Christman and Lieutenant Ken Pagano, the new School to Work Coordinator John Young, and herself. This conference was put on by the Oregon Juvenile Department Directors Association and the theme was reconnecting communities to youth. They needed to let young people know they had something

important to say and they needed to provide a place to do that. She thanked Councilor Lucas, Daniels, and Harris, and Mayor Scott Taylor for participating in and continuing this process. Ed Armstrong, the School District's new grant writer, said the City and School District had formed a partnership to bring resources together to make the community better. He told them about a project they were pleased to bring to Canby, the Americorp Program. Americorp was the peace corp brought home to America. It was a national service program, and in Canby they had four Americorp members serving both the School District and the community. Two of those were there that night, Beth Waage and Tim Gross. Ms. Waage said she was from Iowa and this process had been a wonderful experience. She said Make A Difference Day was one way community members could change the world, especially the world close to them and hopefully the students that were involved would take it out with them into the world. Mr. Gross, who was from Connecticut, said his motivation for doing this kind of work was to give youth the opportunity to establish relationships with their fellow community members and to give them opportunities and experiences that would set them on a path to develop their full potential. On October 28, they were going to work on trail restoration and maintenance at Community Park. On behalf of the School District, himself, Ms. Waage, the Americorps, and all those dedicated to service, he presented the City Council with a certificate of their appreciation. Mayor Taylor accepted the Service Award presented to the Council. Mayor Taylor presented Mr. Gross with the Make A Difference Day proclamation. Mayor Taylor thanked them for taking the time to do this project.

Mayor Taylor recognized the Eagle Scouts who were earning their citizenship badge in the audience that night.

CITIZEN INPUT ON NON-AGENDA ITEMS: Jeff Pearson, Canby Telephone Vice President of Marketing and Sales, presented a check to the City. Recently they had a Fun Run which was a community fund raising event geared toward raising dollars for City parks. He presented two checks totaling \$850 to the Council. Mayor Taylor thanked Mr. Pearson and Chief Giger for the coordination of this event.

Beth Waage said on the evening of Make A Difference Day they were putting on a film festival at the Performing Arts Center. It was open to the entire community, they would have refreshments and the movies were appropriate for the whole family. Mayor Taylor asked what movies they were going to show. Ms. Waage said the Disney version of *The Legend of Sleepy Hollow*, *Ghostbusters*, *Frankenstein*, the 1931 version, and *Dracula*, the 1931 version.

CONSENT AGENDA: **Councilor Daniels moved to adopt the consent agenda: minutes of the regular meeting, October 4, 2000; accounts payable in the amount of \$256,401.27; appointment of Peter Angstadt to the Canby Utility Board; and use of the Christmas tree lot for Canby Lions Club. Motion seconded by Councilor Harris and passed 6-0.

COMMUNICATIONS: None.

NEW BUSINESS: Presentation of Financial Audits - Scott Muller from the firm of Kenneth Kuhns and Company, the City's auditors, was there to give a presentation as to the recently

completed work on some financial audits. Mr. Muller said he was there to present the audits for year end of June 30, 1998 and 1999. Their role as auditors was to audit the City's financial statements, it was the City's role to maintain the records and get them ready for audit. They performed tests of those accounting records to make sure they were accurate and could be relied upon. Within these financial statements, they issued an opinion. Their opinion of the City of Canby was that their records were fairly stated in all material respects, which was called a clean opinion, also called an unqualified opinion, and it was the best opinion that an entity could receive. They were required by State law to look at certain areas of compliance, such as local budget law, public investment law, collateral coverage for investments and deposits, and various areas, and they found the City did comply with those areas. In addition to the financial statements, they issued a management letter with a few items they recommended for the City to make improvements. Mayor Taylor thanked him for his time. He said joining them in the workshop earlier was the Budget Committee, so it was both bodies that reviewed the audit. Mr. Muller thanked City staff for their courtesy and cooperation during the audit.

Mediated Discussion Regarding Urban Renewal District - Mayor Taylor said they had contacted the County and Fire District to continue dialogue with a mediator about the URD and its financing package, and they were open to that. They were to trying to get representatives from each of the bodies to meet and talk about the issues and bring back a solution to the various bodies to ratify. He wanted to confirm with them that the Council carry on that conversation, and he asked that he and Councilor Daniels were the delegates from the Council to do that discussion. All of the Council agreed.

ORDINANCES & RESOLUTIONS:

Ordinance No. 1059 -

****Councilor Lucas moved to adopt Ordinance 1059, AN ORDINANCE AMENDING THE PARKS AND RECREATION MASTER PLAN, AND DECLARING AN EMERGENCY. Motion seconded by Councilor Harris and passed 6-0 by roll call vote.**

Ordinance No. 1060 - Mayor Taylor clarified that this was the Logging Road heading down towards the log boom.

**** Councilor Harris moved to adopt Ordinance 1060, AN ORDINANCE AUTHORIZING PURCHASE OF REAL PROPERTY FOR THE WILLAMETTE - MOLALLA RIVER GREENWAY PROJECT AND DECLARING AN EMERGENCY. Motion seconded by Councilor Prince and passed 6-0 by roll call vote.**

UNFINISHED BUSINESS: Installation of Sidewalk to serve Skate Park - City Administrator Mark Adcock said at the last Council meeting, there was an inquiry as to the feasibility of the City installing a sidewalk in the area of 3rd and Baker to serve the skate park. He instructed Community Development Director Jerry Pineau to research that and give them an order of magnitude as to cost and what the project would entail and then they wanted further direction from the Council. Mr. Pineau said the outcome they wanted was a safer pedestrian access to the

Canby Skate Park. The area they were talking about was from N. Cedar all the way down to the Skate Park on NW 3rd Avenue. They wanted to finish the curbing and sidewalks there, which would give a five foot walkway for pedestrians. They looked at putting it in concrete or asphalt, and if the City crew could do it, or if they would have to contract it out. The cost for the concrete for putting in sidewalk for 1,050 feet was \$4,000, to do it in asphalt, the cost was \$2,700. Additional costs would be for the City crew and equipment to put that in there. If they went out to contract, they estimated it would cost between \$11,000 to \$15,000. They had right of way for this project along the north portion of NW 3rd Avenue, a minimum of five feet. It would be harder to get the right of way along the south side. What they did not have was the funds, this project was not anticipated, and the project would cost \$3,000 or more even if the City crew did it. The only potential they could take it out of this year's budget without giving up other projects would be out of the contingency fund, but that was set aside because of the potential impact from PERS. He did not recommend doing that. He thought if they wanted this project, they should put it in next year's budget. There were some ballot measures that might impact this project too because there might be limited funds. He requested the City Council consider it in their budgeting process rather than doing it this year. Mayor Taylor thanked him for the work, it also provided an excellent opportunity for some of their support groups who could come to them with funds for this project. Councilor Lucas wanted to wait until next year's budget. He also wanted to encouraged the Police Chief to try to stop the truck parking along that street. If there weren't a lot of trucks parked along there, there was still good access, he thought that was where it became dangerous. Councilor Harris said for the time being probably the best option they had was to discourage parking there, but in the long term, they needed a sidewalk. He was hesitant to try to find money to build it right now, at least until the outcome of the election to see how tight the budget was going to be. Councilor Prince asked if the sidewalk would be on the north or south side? Mr. Pineau said he was recommending the north side. Councilor Prince also wanted a crosswalk as part of that project. Mr. Pineau said they would definitely have one and handicapped access to go across the street too. Mayor Taylor wondered about donations, maybe youth looking for civic work could help out to cut the costs.

MANAGER'S REPORT: Fiscal Impact Analysis of November Ballot Measures - Mayor Taylor said they asked City Treasurer Chaunee Seifried and City Administrator Mark Adcock to find out what some of the ballot measures they reviewed last time might cost. Administrator Adcock said they gave an overview at the last Council meeting of the ballot measures, and they completed what they felt was their best estimate in terms of fiscal impact of these various measures. He asked that Ms. Seifried would walk them through the analysis she prepared for them. Mayor Taylor said these were some very contested issues, and they were simply trying to provide some information and Ms. Seifried has worked hard to get the best answer she could. They were not certifying that this was the final answer on any of them, but this was their best guess as to the financial impact. Councilor Daniels asked when Ms. Seifried mentioned the ballot measure number, could she give a brief description of what the measure was.

Measure 91, making federal income tax fully deductible on Oregon tax returns, would be effective 30 days after the measure was passed. This measure would have affect on the state shared revenues. The fiscal impact for the current budget year for the general fund would be between \$0-\$195,000 for the shared revenues and for the 911 emergency fund, it would be \$0-

\$39,000. There was also a possible impact for the prior budget year, it would take effect January 1, 2000 if the State was to require that money back from local governments. Councilor Daniels said in regard to the wide range of dollars, it depended on the interpretation when the law was passed as to how it would effect them? Ms. Seifried said that was correct, it would determine how much the State would take of the taxes. They had no way to know. Mayor Taylor said the amount Ms. Seifried gave them did not include the retroactivity potential. Ms. Seifried said that was correct, they received between January to June approximately \$200,000 in shared revenues and the 911 excise tax.

Measure 93, voters must approve most taxes, fees, requires certain approval percentage, would be retroed back to December of 1998. There were only two fees the City increased more than 3% since then. One was the sewer rates, which were increased 4% in July of 1999. The possible impact was approximately \$20,000. The second fee was Transportation SDC's, which were changed in February of 1999. The impact on that would be between \$0-\$15,000.

Measure 8, limit State appropriations to percentage of State's prior personal income, would not be effective until the next budget year, it would start in July of 2001. The possible impact of this measure would be not in addition to but the same impact of Measure 91 on the revenue sharing from the State of \$0-\$195,000 and also the 911 excise tax, and there was a potential of up to 20% of the gas tax, which would about \$110,000. Mayor Taylor said since both Measure 91 and Measure 8 addressed the same funds, would they double the charges if both passed or would it be the total amount possible? Ms. Seifried said it would not double it, that was the possible amount they could take. Measure 91 had no impact on the gas tax, whereas Measure 8 did. If they both passed, the most they would lose was the total \$195,000 and \$39,000.

Measure 7, requires payment to land owner if government regulation reduces property value, would be retroed back to the date the current owner purchased the property. The City would have a choice of paying the owners of real property under this measure, repealing change of regulation subject to the measure, or contesting the application of the measure in court. If a claim was denied or remained unpaid for 90 days, there was potential of attorney fees and collection fees. Ms. Seifried said there was no way to find out the full financial impact. She had the City's Planning Director work on this with her, and one piece of property could be as much as \$20,000 plus attorney's fees. Mayor Taylor said this was a very complex measure, because when people thought about it, they thought about the times when the City went out and took someone's property and they didn't want that to happen. This measure also talked about easements, design review work, and a variety of issues that could make the City spend a lot of time and money to sort out what applied and what didn't before they even got to the payback. This could create some problems for cities that had a variety of residential growth and design review. Councilor Prince said there was also the impact it might have on the growth plan in Oregon, it would affect land use laws. The full affect of this had not come to the surface yet, this measure was very serious.

Measure 84, State must continue paying local government for State mandated programs. Working with the City's Planning Director again, the only State mandated program they were aware of was land use actions, such as giving notifications, etc. They had no way to know what

programs could be mandated by the State. This measure was approved prior in 1996, and in order for the State to continue to pay for the programs they were mandating, this would have to pass. Mayor Taylor said this measure gave cities a small measure of protection in that the State as it tried to shift its burdens would not be able to give them a variety of programs they did not have now with no compensation for performing the service. Councilor Prince said this was a positive measure, and he thought it would help cities. Mayor Taylor said it was passed before, and had a sunset clause, and that was why it was back to make sure people still agreed with it.

Measure 3 - requires conviction before forfeiture, restricts proceeds usage, requires reporting penalty. If this measure passed, it would limit the recovery of cost to no more than 25% of the property's value. Additional balance of the proceeds could be used for drug treatment only, the City would be required to store vehicles and property during this time. The cost to rent space was approximately \$10,000 or to build a storage facility would be \$40,000. If the current level of training and enforcement was to continue, those funds would have to come out of the Police Department general fund budget. This potential cost would be \$16,000-\$20,000. This would be effective 30 days from passage of the ballot measure. Mayor Taylor said people may think because of the swift local court system, cases may move swiftly through the circuit court, when they could be holding this material for some period of time. City Attorney John Kelley said the one option was they could discontinue forfeiture procedure. The forfeiture actions were not brought in municipal court, they were brought in circuit court, and they would be civil cases, which could take up to two years to get a resolution.

Mayor Taylor said in summary, if all the measures were to pass, they would be looking at a \$200,000 to \$300,000 shift in revenue they currently received. Councilor Prince said they only had \$58,000 left after this budget for this year, and it would definitely mean cuts.

Mayor Taylor thanked Ms. Seifried for all of her research and hard work. Administrator Adcock said staff was talking and meeting together to assess the worst case scenario and taking a look at operations and possible alternatives should these measures pass and have an immediate impact on the current fiscal year budget. They would have a meeting of the Budget Committee once they knew how these measures would impact them.

Councilor Prince said if the electorate wanted to have federal income taxes deductible from their Oregon income tax, the legislature did offer an alternative in Measure 88. It was a lot less stringent and would give more tax relief from State taxes. Mayor Taylor said it was not retroactive, so they would not have to go back and find the money, it would start them in the next budget cycle.

Councilor Lucas said there were open positions on the Budget Committee if people were interested in discussing these issues.

COUNCILORS' ISSUES: Councilor Daniels said he attended the candidate's forum, and after talking with a lot of citizens, he found there was a lot of misinformation out there. While attending the candidate's forum, he felt certain comments bordered on inflammatory and challenged the City's honesty. Some things mentioned were not factual. The industrial area

master planning was done in 1998 with meetings and hours of citizen input. In regard to the concern about this annexation being hard on schools, voters approved on 10 different occasions annexation of some 55 acres of land for single family dwellings, which meant 233 new potential students going to school. There was concern about developing agricultural land, but there was no public opposition to the Tofte development when it came before them. Industry did not add students, housing did. The system was working. Building houses added the burden to their schools. There was concern about funding community partners, but their agencies were funded by State revenue sharing. They were looking for different types of jobs and a diverse industrial park. They were looking for businesses that provided jobs for their citizens. One comment was they were growing too much too fast, the industrial park was not to be developed all at once, they were planning for the long haul instead of a piece meal approach. There were 30 different owners of the industrial area, who did they say could come in and who couldn't. Another comment was they were subsidizing businesses who wished to come into this park, the City was not financing the Industrial area, the Urban Renewal District was playing the part in financing infrastructure and improvements, and over the life of the District, two-thirds of the cost would come from new construction. Another comment was they must zone before annexing the industrial area, the Planning Commission and Council met to discuss an overlay zone that would keep undesirable business from coming in before development was completed. Another comment was the City should not act as applicant, this major annexation had clear benefits to fostering logical development of the industrial area. The City and property owners built a master plan for the area. They needed more local jobs, as 77% of locals drove alone to work and 45% spent up to 29 minutes traveling to work. Another comment was the Council ran too fast with too much. This annexation was scheduled for the November 7 election. The Canby Utility Board was in the process of negotiation for electric power rates and the total amount of land covered under the contract had to be on the books by September 30. It was a 99% chance they could get a lower rate for that industrial area if they got it in before the 30th. With the defeat of the annexation, they could see different power rates for Phase I in the land that would be annexed later, a 25% increase. They were trying to capture a better power rate, which was the reason for this earlier election. The comment about people wanting to vote what was going into the industrial area, the public voted for the Fred Meyer development and in a phone survey taken by the developer as to what type of businesses they wanted in the Canby marketplace, overwhelmingly the people responded they wanted a Fred Meyer store. Another comment was the town was growing too fast. The City had grown at a rate of 4.85% between the years 1960 and 1990, and since 1990, the growth had not increased as fast, which could be due to the lack of affordable housing. The only way they could control the rate of growth was by managing growth, they could not eliminate it. The industrial park was not going to be developed all at once, it was going to be done in phases. Another comment was they needed to make the Fire District whole. The City Council under Oregon law could not attach strict conditions on annexation or obligate the City to a specific annexation. Discussions were held by the Fire Board and Urban Renewal Advisory Committee as to making sure the Fire District had the necessary equipment, and they could not provide a list of equipment that was needed because they didn't know what was going in the industrial park. How could talks continue when one party wanted the whole pie when it was not possible to give them the whole pie. How could they have a discussion when their minds were already made up? Most emergency calls to industrial areas were medical emergencies. The codes required many buildings to be concrete and have fire

sprinklers. If a special piece of equipment was needed, the agency would try to find the funds. They would continue to talk to the Fire District. Another comment was they should abide by the A, B, C priority plan. When there was no A land left in the industrial park, where did they go from there? The logical step was go to B then C. He asked the voters to get the facts, make an intelligent voter decision, and regardless of the outcome of the election, he asked that they continue to communicate with the Council. Sometimes it was discouraging to see a few citizens showing up to meetings, if citizens did not have the time to attend all of the meetings, let the Council who had been working on the projects for years, do the work for them. If they did not communicate with the Council, they were forced to decide the direction themselves. The Urban Renewal District was in place before the annexation and had nothing to do with the annexation. In moving Canby forward in the next millennium, they must work together to be informed, and elect Councilors who were responsible to carry out their direction. Do not jump to conclusions, you might be misinformed. Getting the information late in the process did not give you the whole picture. He encouraged them to ask questions and it was his pleasure to serve as a City Councilor.

Councilor Harris said Dave Eatwell and Craig Finden from Canby Business Revitalization were there that night, and he wanted to announce that tomorrow night there was a design team workshop at 7 p.m. at the Library regarding a proposal to adopt vintage railroad as a Canby design motif. This would impact the appearance and development of downtown in the future, and he encouraged people to attend and share their ideas.

Councilor Harris said sometimes they overlooked the accomplishments of volunteers, and he once again complimented the Library. Karen Wilson, Senior Librarian, managed to get a terrific amount of assistance from volunteers, and during September there was 130 hours of volunteer time dedicated to the Library, which was easily a full time employee. It was saving the City a lot of money and involving people in the Library.

Councilor Harris said once again in Triangle Park, the Japanese garden was full of weeds. The community saw that park as part of the parks system, and it had to be maintained. If it wasn't consistently maintained, he assumed the City would eventually take it over and have the park staff maintain it, because it didn't look good for the community.

Councilor Prince said they had a big election coming up and the ballot was full. He urged citizens to vote in this election because there were a lot of things that would impact the City and citizens' lives, especially government funding. He wanted citizens to look at the issues and vote their conscience.

Councilor Carson said they as a Council and different advisory boards asked for bike lanes to be put on some areas, and one area where bike lanes were recently put was Fourth Avenue going over to Shimadzu. That area had bike lanes on them at this time, which meant that people who used to come there and park to use the bike trail could not do that anymore. They needed staff to take a look at parking areas at both ends of the Logging Road. Councilor Prince said there were many people who started using that trail, and they started parking down by the entrance to Territorial, which blocked the entrance for the Police and they could get ticketed. If they could

have some parking spots, it would be good. Councilor Lucas reminded them that they had a Parks and Recreation Advisory Committee, and they had discussed this issue several times. They were holding back on a recommendation to find out how fast the Trust for Public Lands and the City would move forward in acquiring more of that property, which could have a big effect on what would happen in that area. It would give some property for a parking area, and to purchase the 15 acres, they had a deadline of May 1. Councilor Carson also wanted them to look at the Fourth Avenue area for places people could park.

Councilor Daniels said regarding the vintage railroad motif proposed by CBR, he didn't realize the asset they had in Canby until the other day when bus loads of railroad buffs came to town to see the depot museum. It was one of the oldest depots in Oregon. They had something they should really cherish.

Mayor Taylor said there was a discussion about the wedge near the wooden bridge and the future use of that property as they were exploring the options for parking.

ACTION REVIEW:

1. Approving Ordinances 1059 and 1060.
2. Communicating with Nancy Wilmes regarding the condition of the Japanese garden.
3. Looking at alternatives for parking at both ends of the Logging Road trail.
4. Following up on truck parking compliance on Third Avenue adjacent to the Skate Park.

Councilor Lucas said he didn't mean to say enforcing the truck parking wasn't happening, the Police did a good job at cutting back truck parking. He just wanted to continue their efforts.

There was no Executive Session.

Mayor Taylor adjourned the regular session at 8:37 p.m.



Chauncey Seifried,
City Recorder pro tem



Scott Taylor,
Mayor



Prepared by Susan Wood,
Office Specialist