

**AGENDA**

**REGULAR CITY COUNCIL MEETING**

July 13, 2020

5:30 p.m.

**VIA ZOOM**

Join Zoom Meeting

<https://zoom.us/j/94797705695?pwd=VXJnSmxIV0NSWXZwUFVzamJYaklOQT09>

Meeting ID: 947 9770 5695

Password: 931270

1. CALL TO ORDER
2. ROLL CALL OF COUNCIL
3. PLEDGE OF ALLEGIANCE
4. APPROVAL OF AGENDA
5. CITY MANAGER REPORT
6. CITY ATTORNEY REPORT
7. CITY COUNCIL REPORTS
8. 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 the June 22, 2020 Regular City Council Meeting Minutes
  - B. Approval Resolution No. 20-015 Concurring with Mayor’s Appointments to Various Committees and Commissions
9. ACTION ITEMS

- A. Google Enterprise Zone Agreement Amendment

**CITY OF THE DALLES**

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

B. Recycling Proposal

C. Expanded Use of Outdoor Spaces Agreement

D. Legislative Priorities

10. ADJOURNMENT

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This meeting conducted in a handicap accessible room.

Prepared by/  
Izetta Grossman, CMC  
City Clerk



## AGENDA STAFF REPORT

### AGENDA LOCATION: Item #8 A-B

**MEETING DATE:** July 13, 2020

**TO:** Honorable Mayor and City Council

**FROM:** Izetta Grossman, CMC, City Clerk

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

- A. **ITEM:** Approval of the June 22, 2020 Regular City Council Meeting Minutes.

**BUDGET IMPLICATIONS:** None.

**SYNOPSIS:** The minutes of the June 22, 2020 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 June 22, 2020 Regular City Council meeting minutes.

- B. **ITEM:** Approval of Resolution No. 20-015 Concurring with the Mayor's Appointment to Various Committees and Commissions

**BUDGET IMPLICATIONS:** None

**SYNOPSIS:** The Mayor has identified and interviewed the appointments.

**RECOMMENDATION:** Approve Resolution No. 20-015 Concurring with the Mayor's Appointments to Various Committees and Commissions.

MINUTES

CITY COUNCIL MEETING

June 22, 2020

5:30 p.m.

VIA ZOOM

LIVESTREAM VIA City website

**PRESIDING:** Mayor Richard Mays

**COUNCIL PRESENT:** Linda Miller, Darcy Long-Curtiss, Tim McGlothlin, Rod Runyon,  
Scott Randall

**COUNCIL ABSENT:** None

**STAFF PRESENT:** City Manager Julie Krueger, City Clerk Izetta Grossman Public  
Works Director Dave Anderson, Human Resources Director Daniel  
Hunter; Community Development Director Steve Harris

Number of people present: 9

**CALL TO ORDER**

The meeting was called to order by Mayor Mays at 5:30 p.m.

**ROLL CALL OF COUNCIL**

Roll Call was conducted by City Clerk Grossman. All Councilors present.

**PLEDGE OF ALLEGIANCE**

Mayor Mays asked Councilor Runyon to lead the Pledge of Allegiance.

Councilor Runyon invited the audience to join in the Pledge of Allegiance.

## MINUTES

Regular City Council Meeting

June 22, 2020

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### **APPROVAL OF AGENDA**

It was moved by Miller and seconded by Randall to approve the agenda as submitted. The motion carried 5 to 0; Councilors Miller, Randall, McGlothlin, Long-Curtiss and Runyon voting in favor; none voting opposed.

### **PRESENTATIONS PROCLAMATIONS**

#### Columbia Gorge Community College Treaty Oaks Skill Center Update

Dan Spatz, CGCC and Marta Cronin, CGCC President presented the PowerPoint.

Spatz said that due to COVID-19 the ground breaking ceremony would be by invitation only on July 10. He said they would live stream the event for viewing.

Cronin said the anticipated opening date would be September 2021.

Cronin said students had been consulted during the design process to make sure the housing was something that students would want to live in.

### **CITY MANAGER REPORT**

City Manager Krueger said she had sent a memo to Council regarding an outdoor seating program. She asked if Council would like the agreement to be on the next Council agenda.

Councilor Miller asked if there was interest from the businesses who previously had parklets.

City Manager Krueger said Main Street had six businesses interested in the program.

Councilor Runyon asked about flexibility in types of uses.

City Manager Krueger said there would be parklets, pedestrian walkways, and parking lot use options.

It was the consensus of Council to have the agreement on the next agenda.

### **CITY COUNCIL REPORTS**

Councilor Long-Curtiss reported:  
Digital Divide webinar

## MINUTES

Regular City Council Meeting

June 22, 2020

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Weekly League of Oregon Cities updates

Serves on EOC Human Services - Housing Taskforce

Urban Renewal Meeting – jaw dropping report on condition of Tony’s building

Councilor Miller reported:

Household Hazardous Waste –quarterly events cancelled until further notice; subcommittee restructuring recycling

Urban Renewal Meeting – jaw dropping report, when UR purchased the building condition wasn’t a concern, it was to be demolished

Councilor McGlothlin reported:

Urban Renewal Agency – alarming report on condition of the Tony’s building

Airport Board – system upgrade on fuel tanks

Councilor Runyon reported:

Working on new location for the Veteran’s Museum

Met with Mayor

Mayor Mays reported:

Rotary Meeting

League of Oregon Cities weekly conference call

### Resolution No. 20-016 A Resolution Opposing Proposed Revisions to the Columbia River Gorge Management Plan Policies for Urban Area Boundary Revisions

Mayor Mays reviewed the Resolution.

Councilor Runyon noted that there were six agencies in favor of the Resolution opposing the proposed revisions.

Mayor Mays asked Rodger Nichols for his thoughts as a Gorge Commission Board Member.

Nichols said he felt the revisions were a backward step. He said he would be voting in opposition to the revisions.

Mayor Mays asked Wasco County Commissioner Scott Hege for his thoughts.

Hege said the item was coming before the Commission on Wednesday. He said the Urban Growth Boundary had not changed since about 1983. He said the proposed by the Gorge Commission would limit The Dalles to 20 acres forever. He said there was not a 10 acre site

available today.

Councilor Long-Curtiss said it was important that both purposes of the Act were upheld. She said it was critical that the City retain the right to expand. She said the City, County and Port were all looking out for the future of the area.

It was moved by Runyon and seconded by Miller to approve Resolution No. 20-016 A Resolution Opposing Proposed Revisions to the Columbia River Gorge Management Plan Policies for Urban Area Boundary Revisions. The motion carried 5 to 0; Councilors Long-Curtiss, Randall, Miller, Runyon, and McGlothlin voting in favor; none voting opposed.

### **CONSENT AGENDA**

It was moved by Miller and seconded by Runyon to approve the Consent Agenda as presented. The motion carried 5 to 0; Councilors Miller, Runyon, Long-Curtiss, Randall, McGlothlin voting in favor; none voting opposed.

Items approved on the consent agenda were: 1) Approval of the May 26, 2020 Special Council Meeting Minutes; 2) Approval of the June 8, 2020 City Council Meeting Minutes; 3) Approval of Amendment No. 13 to Operations Management International (OMI, now Jacobs) Agreement to operate the Wastewater Treatment Plant for Fiscal Year 2020-21.

### **ACTION ITEMS**

#### **City Worker's Compensation Insurance Renewal**

Human Resources Director Daniel Hunter and Breeanna Wimber, Stratton Agency Agent reviewed the staff report.

Councilor Miller thanked all City employees. She said it takes everyone working toward safety to have these results.

Mayor Mays echoed Councilor Miller saying it took good leadership.

It was moved by Miller and seconded by Randall to authorize the City Manager to renew the City's Worker's Compensation Coverage with SAIF through Stratton Insurance for fiscal year 20-21. The motion carried 5 to 0; Councilors Miller, Randall, Runyon, McGlothlin, Long-Curtiss voting in favor; Councilors none voting opposed.

MINUTES  
Regular City Council Meeting  
June 22, 2020  
Page 5

Resolution No. 20-014 Authorizing the City of The Dalles to Serve as Co-applicant with Klickitat County for Federal Economic Development Administration Funding

Columbia Gorge Regional Airport Manager Aryn Rasmussen reviewed the staff report.

It was moved by McGlothlin and seconded by Runyon to approve Resolution No. 20-014 authorizing the City of The Dalles to serve as co-applicant with Klickitat County for federal EDA funding. The motion carried 5 to 0; Councilors McGlothlin, Runyon, Miller, Randall, Long-Curtiss voting in favor; none voting opposed.

Councilor Long-Curtiss asked if Council meetings would continue as Zoom meetings. She said the Mayor was doing a great job running the meetings, however, there was a disadvantage to not being with everyone.

City Manager said she anticipated all City meetings would be via Zoom for the foreseeable future. She said Zoom meetings with all Councilors present were not possible in the Council Chamber. She said it was possible to seat six in the Conference room, and maintain social distancing requirements.

**ADJOURNMENT**

Being no further business, the meeting adjourned at 6:20 p.m.

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Submitted by/  
Izetta Grossman, CMC  
City Clerk

SIGNED: \_\_\_\_\_  
Richard A. Mays, Mayor

ATTEST: \_\_\_\_\_  
Izetta Grossman, CMC City Clerk



## **RESOLUTION NO. 20-015**

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

**WHEREAS**, there are vacant or positions with ending terms on the Traffic Safety Committee, City Budget Committee, Urban Renewal Budget Committee, Historic Landmarks Commission, and City Planning Commission; and

**WHEREAS**, the Mayor has elected to reappoint Fred Pyles to the Traffic Safety Committee, and to appoint Russ Brown to the Traffic Safety Committee to fill the position left vacant by the resignation of Robert Kuenzinger, and to reappoint Joe Barcott to the City Budget Committee, and to reappoint Leon Suber to the Urban Renewal Budget Committee; and to appoint Bev Eagy to Historical Landmarks Commission to fill the position left vacant by the resignation of Sandy Bisset; and to reappoint Brent Bybee and Jeff Stiles to the Planning Commission; and to appoint Alan Easling to the Planning Commission to fill the term left vacant by Steve Ross.

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

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

Fred Pyles to the Traffic Safety Committee with a new term ending April 30, 2024 and Russ Brown to the Traffic Safety Committee to fill the vacant term of Robert Kuenzinger, which expires April 30, 2021, and the reappointment of Joe Barcott to the City Budget Committee with a new term ending June 30, 2023, and to reappoint Leon Suber to the Urban Renewal Budget Committee with a new term ending June 30, 2023; and appointment of Bev Eagy to the Historic Landmarks Commission to fill the remaining term of Sandy Bisset, which expires May 31, 2021; and the reappointment of Brent Bybee and Jeff Stiles to the Planning Commission with new terms ending April 30, 2024; and appointment of Alan Easling to the Planning Commission to fill remaining term

of Steve Ross, which expires April 30, 2021.

Section 2. This Resolution shall be effective July 13, 2020.

**PASSED AND ADOPTED THIS 13<sup>th</sup> DAY OF JULY, 2020.**

Voting Yes, Councilors: \_\_\_\_\_

Voting No, Councilors: \_\_\_\_\_

Absent, Councilors: \_\_\_\_\_

Abstaining, Councilors: \_\_\_\_\_

**AND APPROVED BY THE MAYOR THIS 13<sup>th</sup> DAY OF JULY, 2020.**

SIGNED:

ATTEST:

\_\_\_\_\_  
Richard A. Mays, Mayor

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



## MEMORANDUM COUNCIL AGENDA ITEM #9A

**SUBJECT: Second Letter Agreement with Design LLC**

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TO: BOARD OF COUNTY COMMISSIONERS AND CITY COUNCIL

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FROM: MATTHEW KLEBES, ENTERPRISE ZONE MANAGER

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DATE: 6/22/2020

### BACKGROUND INFORMATION:

In 2015, an Enterprise Zone Tax Abatement Agreement was finalized between Design LLC., and the sponsors of The Dalles/Wasco County Enterprise Zone. This agreement covered development occurring at the Taylor Lake Facility, primarily comprised of lots located in the Columbia Gorge Industrial Center subdivision. This agreement established requirements on the developer in order to receive tax abatement such as job creation, wage and compensation minimums, investment minimums, community service fee payments, and others.

Of particular note, the payments due to the sponsors of The Dalles/Wasco County Enterprise Zone were based on the cubic footage of facilities built at the site. These payments can be broken into two major categories; Initial Project Fees and Annual Project Fees. Initial Project fees are computed at \$0.16 per cubic foot and are one time fees. Annual Project Fees are computed at \$0.114 per cubic foot and are due each year the relevant building(s) receives abatement.

Representatives of Design LLC., City of The Dalles, and Wasco County have met to craft the "Second Letter Agreement"\* before you to clarify which facilities are subject to initial and annual fees. This letter was needed to confirm agreement on the finalized cubic footage measurements as well as due to the phased approach of construction at the site, and the variety of building types. As noted in the letter, major building categories include the primary buildings "Phase 1 and 2", Modular Electric Buildings (MEBs) and the Central Utility Building (CUB). This Letter confirms that these facilities will pay Initial Project fees (Phase 1 & 2 as well as MEBs in full; CUB based on 50% of cubic footage) due no later than 14 days after final signing of the document as well as annual project fees based on the date each facility is placed in service.

The Letter also clarifies a provision in the original agreement that allows tax abatement on a warehouse located within 1 mile of the primary Taylor Lakes site. This letter confirms that the warehouse would only be subject to annual fees and cannot be located on the former aluminum site.

The accompanying documents include a payment schedule which details the initial fees due and paid as well as the total annual fee due each year the development qualifies for tax abatement and finally, a graphic denoting the 1 mile boundary from the primary site. This graphic does not grant any land use or other approval to construct a warehouse in the marked area.

\*The First Letter Agreement involved the first Modular Electrical Building (MEB) built at the site.

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DESIGN, LLC  
1600 Amphitheatre Parkway  
Mountain View, California 94043

The Dalles/Wasco County Enterprise Zone  
City of The Dalles  
313 Court Street  
The Dalles, OR 97058

Wasco County  
511 Washington Street, Suite 101  
The Dalles, OR 97058

July 1, 2020

**Re: 2015 Enterprise Zone Tax Abatement Agreement**

This letter agreement (the “**Second Letter Agreement**”) is made by and between the City of the Dalles (the “**City**”), Wasco County (the “**County**”), and Design, LLC (“**Design**” or the “**Company**”) (collectively, the “**Parties**”), and is effective as of the last date that it is signed by an authorized representative of each of the Parties.

The Parties hereby enter into this Second Letter Agreement to memorialize the Parties’ intent to resolve certain issues raised by the City and County by the letter dated December 5, 2018 (the “**County Letter**”), concerning the Enterprise Zone Tax Abatement Agreement (the “**Agreement**”) dated August 17, 2015, among the City, County, and Design and the letter agreement between the City, County, and Design dated April 28, 2017 (the “**First Letter Agreement**”). Capitalized terms not defined in this Second Letter Agreement have the meanings set forth in the Agreement.

We note that on January 17, 2019, representatives of Design, the City, and the County met in person to discuss the Building Volume calculations and the amounts of the Fees in further detail, at which Design presented design plans for the Taylor Lake Facility. Representatives of Design, the City, and the County again discussed the Building Volume calculations on May 8, 2020. At the May 2020 meeting, Design presented final design plans for the Taylor Lake Facility (the “**Final Design Plans**”) and its explanation of the calculations of the Building Volume. The Final Design Plans contemplate: (i) a building (“**Phase 1**”), two modular electric buildings (“**MEB 1**” and “**MEB 2**”), and a central utility building (“**CUB**”) that are currently in service; and (ii) a new building (“**Phase 2**”), and two additional modular electric buildings (“**MEB 3**” and “**MEB 4**”) that are currently under construction and scheduled to be completed in 2020.

Design wishes to continue its long-standing working relationship with the City and the County. Accordingly, Design is willing to pay (i) additional initial fees with respect to the Building Volume of Phase 2, MEB 2, MEB 3, and MEB 4 and half the Building Volume of the CUB; and (ii) additional annual fees with respect to the Building Volume of MEB 2, MEB 3, and

MEB 4 and half the Building Volume of the CUB, in each case to the extent they are in service on the applicable Assessment Date.<sup>1</sup>

Specifically, in consideration of the promises, mutual covenants and agreements set forth herein and other good and valuable consideration, the receipt, sufficiency and adequacy of which are hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

1. The Parties acknowledge that: (i) Design paid to the City and the County the full amount of the Minimum Initial Project Fee (“**MIPF**”) (\$1,450,000) in 2016; (ii) Design paid to the City and the County the full amount of the Preliminary Initial Project Fee (“**PIPF**”) (\$78,737.76) in 2017; (iii) the final certificate of occupancy (“**COO**”) for the First IPF Permit (which included Phase 1 and MEB 1) was issued on January 21, 2018; (iv) the CUB was placed in service in 2018 and MEB 2 was placed in service in 2019; (v) Design paid to the City and the County the amount of the Annual Project Fee due for Phase 1 and MEB 1 under the Agreement for the 2019-2020 tax year (\$1,091,146) on December 24, 2019; and (vi) the final COOs for Phase 2, MEB 3, and MEB 4 are expected to be issued in 2020.
2. The Parties agree that the Building Volumes set forth in Exhibit A for Phase 1, Phase 2, MEB 1, MEB 2, MEB 3, and MEB 4, and the amount set forth in Exhibit A for half the Building Volume of the CUB, shall be treated as the Final Building Volumes for all purposes under the Agreement, the First Letter Agreement, and this Second Letter Agreement.
3. Notwithstanding Section II.C.1 of the Agreement, Design agrees to pay an additional initial fee in the amount specified in Exhibit A (which amount is calculated by reference to the Final Building Volumes as set forth in Exhibit A of Phase 2, MEB 2, MEB 3, and MEB 4 and half the Building Volume of the CUB) on or before fourteen (14) days after both the City and the County have countersigned this Second Letter Agreement (the “**Second Letter Agreement Payment Date**”). There will be no further adjustments or true-ups with respect to this fee unless a review by the Department of Revenue and/or Wasco County Assessor, no later than October 1, 2020, results in any additional cubic footage not currently included. If agreeable to all Parties, this cubic footage will be added to the Exhibit A payment schedule.
4. Design will pay a Final Initial Project Fee (“**FIPF**”) with respect to Phase 1 and MEB 1 in the amount specified in Exhibit A on or before the Second Letter Agreement Payment Date.<sup>2</sup>
5. Design will pay the amount of the Annual Project Fee due for half the Building Volume of the CUB under the Second Letter Agreement for the 2019-2020 tax year (\$99,308) on or before the Second Letter Agreement Payment Date.<sup>3</sup>

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<sup>1</sup> Design acknowledges that the Annual Project Fee will include the Building Volume of Phase 2 (pursuant to the Agreement) and the Building Volume of MEB 1 (pursuant to the First Letter Agreement), in each case to the extent they are in service on the applicable Assessment Date.

<sup>2</sup> The FIPF is based on the Final Building Volume amounts specified in Exhibit A. The amount of the FIPF equals \$2,695, which is equal to \$1,531,433 (or 9,571,453 x \$0.16) minus \$1,450,000 (the amount of the MIPF) minus \$78,738 (the amount of the PIPF). As acknowledged above, Design has already paid both the MIPF and the PIPF.

<sup>3</sup> The amount of the Annual Fee for the CUB (\$99,308) is equal to the difference between the total amount of the Annual Fee specified in Exhibit A (\$1,190,454) and the portion of the Annual Project Fee paid in December 2019 (\$1,091,146).

6. Other than any fees payable by the Second Letter Agreement Payment Date pursuant to this Second Letter Agreement, Design will not be obligated to pay any Initial Project Fees pursuant to the Agreement after the date hereof.

7. The Annual Project Fees will include the Building Volumes of Phase 1, Phase 2, MEB 1, MEB 2, MEB 3, and MEB 4 and half the Building Volume of the CUB, in each case to the extent they are in service on the applicable Assessment Date. The amount of the Annual Project Fee for the Taylor Lake Facility for the 2019-2020 tax year shall be the amount specified in Exhibit A. As noted above, Design has paid the Annual Project Fee for the 2019-2020 tax year. The expected amounts of the Annual Project Fees for the Project for subsequent tax years are set forth in Exhibit A. These expected amounts are based on certain assumptions, including that the applicable buildings are in service on the applicable Assessment Date and there will be no new Buildings in the Project.

8. Pursuant to the Final Design Plans, Phase 1, Phase 2, MEB 1, MEB 2, MEB 3, MEB 4, and the CUB are the only buildings that have Building Volume that will be taken into account under the Agreement, the First Letter Agreement, or this Second Letter Agreement.

9. If Design constructs any new Building at the Taylor Lake Site, Design will be required to pay any Annual Project Fee payable with respect to the Building Volume for the Building pursuant to Section II.C.4 of the Agreement, but will not be required to pay any Initial Project Fee for that Building.<sup>4</sup>

10. If Design constructs any new central utility building (excluding for this purpose MEB 1, MEB 2, MEB 3, MEB 4, and the CUB), the building volume for any such building will not be taken into account in the calculation of Building Volume, and no Fees will be payable with respect to any such building.

11. Except as provided herein, Design does not currently owe any amounts to the City or the County under the Agreement or the First Letter Agreement.

In agreeing to the foregoing, no Party is waiving any of its rights, and is hereby reserving all of its rights, with respect to interpretation of the Building Volume definition and the circumstances under which Initial Project Fees are payable, and any other aspect of the Agreement. The foregoing acknowledgments and agreements by Design are subject to, and conditioned on, the corresponding acknowledgement and agreements by the City and the County.

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<sup>4</sup> Pursuant to Section I.A.1 of the Agreement, Design may construct a warehouse on additional land located within one mile of the Primary Site. "One mile from the Primary Site," shall include the area shown inside the circle in the map included in Exhibit B but shall exclude in its entirety parcel 2N-13-28 700. For the avoidance of doubt, Design may construct a warehouse on parcel 2N-13-28 700, but if it were to do so, parcel 2N-13-28 700 would not be the Ancillary Site under the Agreement and the warehouse would not be exempt under the Agreement. Design does not intend to construct a data center, or a mechanical electrical building, or central utility building to provide utility support for a data center on the additional land that would be subject to the Agreement, and Design acknowledges that, even if it did so, such a building would not qualify for exemption under the Agreement. The Parties acknowledge that if Design constructs a warehouse that is subject to the Agreement (or subsequently expands such a warehouse), Design would not be obligated to pay any Initial Project Fees with respect to the warehouse but would be obligated to pay Annual Project Fees with respect to the warehouse based on the Building Volume of the warehouse on the applicable dates.

In agreeing to the foregoing, each of the City and the County agrees that it waives and releases any claim it may have against Design, its directors, officers, shareholders, employees, agents, representatives, parent companies, subsidiaries, affiliates, predecessors, or successors concerning any alleged breach of Section II.C.5. of the Agreement, whether any modular electric building or central utility building is included in the Building Volume calculation, and whether any Initial Project Fees are payable with respect to any new Building to be constructed at the Taylor Lake Site.

*[Signature Page On Following Page]*

If you have any questions or need additional information, please do not hesitate to contact our local team.

Sincerely,

Josh Paul  
Manager  
Design, LLC

The undersigned hereby confirm that this Second Letter Agreement accurately describes the agreement reached between the City of The Dalles, Wasco County, and Design, LLC.

CITY OF THE DALLES

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Richard A. Mays, Mayor

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Julie Krueger, City Manager

WASCO COUNTY

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Scott C. Hege, Commission Chair

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Kathleen B. Schwartz, Vice-Chair

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Steven D. Kramer, County Commissioner

cc: Kristen A. Campbell, Wasco County Counsel  
Adam Kobos, Troutman Sanders LLP



**Exhibit A**  
**Taylor Lake Facility**  
**Aggregated Final Building Volume Calculations and Payment Schedule**

Building Name	Building Volume (CF) (Initial measurement - 2016/2017)	Building Volume (CF) (Final Measurement - 2019)	Initial Fees Paid (\$0.16/cf)	Initial Fees Due (\$0.16/cf)	Annual Fees Due (\$0.114/cf)
Phase 1					
Phase 2					
MEB1					
MEB2					
MEB3					
MEB4					
Central Utility Building (50%)					
<b>Totals:</b>	<b>9,554,611</b>	<b>15,914,616</b>	<b>\$1,528,738</b>	<b>\$1,017,601</b>	<b>\$1,814,266</b>

Payment Schedule					
Tax Year	Payment Due	Initial Payment (\$0.16/cu ft)*		Annual Payment (\$0.114/cu ft)**	
		PH I, MEB 1(Initial)	PH 2, MEB 1 (True Up), MEB2/3/4, 50% CUB	Cummulative Annual	Payment due in Assessment Year (Year after In Service Date)
	2016	\$1,450,000			
	2017	\$78,738			
	2018				
2019-2020			\$1,017,601	\$1,190,454	PH1, MEB 1, 50% CUB (In Service 2018)
2020-2021	Dec-31-2020			\$1,233,744	MEB2 (In service 2019)
2021-2022	Dec-31-2021			\$1,814,266	PH2,MEB3,4 (In service 2020)
2022-2023	Dec-31-2022			\$1,814,266	
2023-2024	Dec-31-2023			\$1,814,266	
2024-2025	Dec-31-2024			\$1,814,266	
2025-2026	Dec-31-2025			\$1,814,266	
2026-2027	Dec-31-2026			\$1,814,266	
2027-2028	Dec-31-2027			\$1,814,266	
2028-2029	Dec-31-2028			\$1,814,266	
2029-2030	Dec-31-2029			\$1,814,266	
2030-2031	Dec-31-2030			\$1,814,266	
2031-2032	Dec-31-2031			\$1,814,266	
2032-2033	Dec-31-2032			\$1,814,266	
2033-2034	Dec-31-2033			\$1,814,266	

**Exhibit B**  
Taylor Lake Facility  
One Mile from the Primary Site





## AGENDA STAFF REPORT

### AGENDA LOCATION: Action Item #9B

**MEETING DATE:** July 13, 2020

**TO:** Honorable Mayor and City Council

**FROM:** Julie Krueger, City Manager

**ISSUE:** Resolution No. 20-017 Approving a Recycling Plan and Surcharge for Curbside Recycling

**BACKGROUND:** City of The Dalles and Wasco County were sent a formal compliance letter from Department of Environmental Quality (DEQ), no long allowing recycling to be landfilled. City staff has worked with Wasco County, DEQ, The Dalles Disposal and Solid Waste Advisory Committee to develop a recycling program that will change the items that can be collected curbside, and properly recycled.

Co-mingle, curbside pick-up will continue but gable tops (paper milk cartons), aseptics (shelf stable juice cartons), and shredded paper will no longer be accepted for recycling. In addition, only #1 and #2 plastic bottles will be allowed (no other plastics). Scrap metal won't be collected curbside.

The changes will allow the City to be in compliance with DEQ requirements.

To offset the cost of transporting recyclables to market, a 2.16% surcharge will be added to The Dalles Disposal bills and will remain in effect until market prices return. This equates to 39 cents per month for a residential 32 gallon can service and 58 cents per month for a residential 90 gallon roll cart service.

**BUDGET IMPLICATIONS:** No impact to the City budget.

### **COUNCIL ALTERNATIVES:**

1. **Staff recommendation:** *Move to adopt Resolution No. 20-017 Amending the City's Recycling Plan and authorizing a 2.16% surcharge for collection of recyclables in the City of The Dalles.*
2. City Council could choose not to make the changes and implement a surcharge. This would result in the City being out of compliance with the DEQ.

**RESOLUTION NO. 20-017**

**A RESOLUTION APPROVING A 2.16% SURCHARGE FOR RECYCLING IN  
THE CITY OF THE DALLES BY THE DALLES DISPOSAL SERVICE,  
EFFECTIVE JANUARY 1, 2021**

**WHEREAS**, The City of The Dalles has agreed to amend its recycling program in order to comply with Oregon Department of Environmental Quality (DEQ) regulations; and

**WHEREAS**, curbside, co-mingled recycling will no longer be deposited at the landfill; and

**WHEREAS**, in order to be able to recycle, The Dalles Disposal can no longer accept gable tops (paper milk cartons), aseptics (shelf stable juice cartons), and shredded paper, and can only accept #1 and #2 plastic bottles (no other plastics); and

**WHEREAS**, a surcharge is needed to pay for the transportation of recyclables; and operational costs including costs for health care, fleet maintenance, fuel, and containers; and

**WHEREAS**, The Dalles Disposal Service, Inc. will charge a 2.16% surcharge for this service, to remain in effect until market prices for recycling rebound;

**WHEREAS**, the City Council finds that approval of the requested program changes and surcharge for The Dalles Disposal Service, Inc. are necessary for the City of The Dalles to be in compliance with DEQ recycling rules;

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

Section 1. Surcharge Approved. The recycling surcharge of 2.16%, requested by The Dalles Disposal Service, Inc., resulting from the City's amended recycling plan is hereby approved, and shall take effect on January 1, 2021.

Section 2. Effective Date. The effective date of this Resolution shall be December 31, 2020.

**PASSED AND ADOPTED THIS 13<sup>th</sup> DAY OF JULY, 2020.**

Voting Yes, Councilors: \_\_\_\_\_

Voting No, Councilors: \_\_\_\_\_

Absent, Councilors: \_\_\_\_\_

Abstaining, Councilors: \_\_\_\_\_

**AND APPROVED BY THE MAYOR THIS 13<sup>th</sup> DAY OF JULY, 2020.**

\_\_\_\_\_  
Richard A. Mays, Mayor

Attest:

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



## AGENDA STAFF REPORT

### AGENDA LOCATION: Action Item #9C

**MEETING DATE:** July 13, 2020

**TO:** Honorable Mayor and City Council

**FROM:** Julie Krueger, City Manager

**ISSUE:** Approval of Expanded Outdoor Retail Space Program and Intergovernmental Agreement with Main Street to Manager Program

**BACKGROUND:** The City Council reviewed the attached memo, outlining the program, to aid in economic recovery of City businesses. The proposed agreement is also attached for City Council review.

**BUDGET IMPLICATIONS:** The City will pay Main Street \$50,000 from the economic recover line item in the 2020/21 Fiscal Year budget, to implement this program.

### **COUNCIL ALTERNATIVES:**

1. **Staff recommendation:** *Move to authorize the City Manager to enter into an agreement with Main Street to implement and manger the Expanded Outdoor Retail Space Program.*
2. City Council could choose an alternative amount of funding.
3. City Council could decline to implement the program.

**AGREEMENT BETWEEN CITY OF THE DALLES AND THE DALLES MAIN  
STREET PROGRAM FOR PROVISION OF OUTDOOR SPACE EXPANSION  
PROGRAM**

This agreement is made this \_\_\_\_\_ day of July, 2020, by and between the City of The Dalles, Oregon, a municipal corporation of the State of Oregon, hereinafter referred to as "CITY" and The Dalles Main Street Program, an Oregon domestic nonprofit corporation, hereinafter referred to as "MAIN STREET".

WHEREAS, the CITY has developed a funding mechanism to help with economic recovery for businesses; and

WHEREAS, the CITY and MAIN STREET have worked together to develop a plan for expanded use of outdoor space for restaurant seating and outdoor retail displays; and

WHEREAS, MAIN STREET has agreed to manage and operate the program, as outlined in Exhibit "A", attached; and

WHEREAS, this is a limited duration program, to expire on October 31, 2020; and

WHEREAS, the City Council has reviewed and approved the Plan to be managed and operated by MAIN STREET;

NOW, THEREFORE, IN CONSIDERATION OF THE RECITALS ABOVE, THE PARTIES AGREE AS FOLLOWS:

Section 1. MAIN STREET Obligations. Upon execution of this Agreement, MAIN STREET shall be responsible for the design and construction of the parklets and pedestrian platforms depicted in Exhibit B to this Agreement. MAIN STREET shall further be responsible for the management, maintenance and leasing of the parklets and platforms to local businesses as described in Exhibit A to this Agreement.

Section 2. INSURANCE. Prior to provision of services under this Agreement, MAIN STREET shall provide original certificates of insurance to the CITY, evidencing proof that MAIN STREET has insurance policies in effect for the type of coverage set forth below, and within the stated limits, with insurance carriers that are satisfactory to the CITY.

Types of Insurance

Limitations of Liability

Worker's Compensation

Statutory Worker's Compensation

Commercial General Liability  
Combined Single Limits

\$500,000 (per occurrence)  
\$1,000,000 (aggregate)

At all times during the term of this Agreement, MAIN STREET shall keep such insurance policies in full force and effect and shall provide the CITY with original certificates of insurance. The certificates shall provide that CITY is named as an additional insured and shall also provide that the policies shall not be cancelled without thirty (30) days notice to CITY.



Section 3. ASSIGNMENT. Responsibility of performing MAIN STREET services under the terms of this Agreement shall not be assigned, transferred, delegated or otherwise referred by MAIN STREET to a third person without the consent of CITY, which consent shall not be unreasonably withheld.

Section 4. CITY Obligations. Upon execution of this Agreement, CITY shall pay MAIN STREET the sum of \$50,000.00 for the design, construction and placement of the parklets and pedestrian platforms. As described in Section 1 of this Agreement, MAIN STREET shall be responsible for the maintenance and management of the parklets and pedestrian platforms. At the conclusion of this Agreement, MAIN STREET shall hold all ownership interest in the parklets and the pedestrian platforms.

Section 5. Right of Termination. Either the CITY or MAIN STREET shall have the option to terminate this agreement by providing thirty (30) days written notice to the other party.

Section 6. Status as Independent Contractor in Performance of Work. In the performance of the work duties and obligations required of MAIN STREET under this agreement, it is mutually understood and agreed that MAIN STREET is at all times acting and performing as an independent contractor. No relationship of employer/employee is created by this agreement. CITY shall not supervise, direct, or exercise any control over the methods by which MAIN STREET shall perform its work and functions. The sole interest and responsibility of CITY is to assure the services covered by this agreement shall be performed and rendered in a competent, efficient, and satisfactory manner. MAIN STREET shall not have any claims under this agreement for vacation pay, sick leave, retirement benefits, Social Security benefits, worker's compensation benefits, unemployment, or other employee benefits of any kind.

Section 7. Indemnification. Each party shall indemnify, hold harmless, and defend the other, its officials, agents and employees from and against any and all claims, damages, losses and expenses, including attorney fees, arising in or from its performance of, or failure to perform this agreement. The extent of CITY'S obligations under this subsection is limited to CITY'S obligations under the Oregon Constitution and provisions of ORS 30.260 through 30.300.

Section 8. Attorney Fees. If any proceeding, action, or appeal thereon is instituted in connection with any controversy arising out of this agreement, performance of this agreement, or failure to perform this agreement, the prevailing party shall be entitled to recover, in addition to costs or disbursements, the sum as the adjudicator may judge reasonable as attorney fees.

Section 9. Notices. Any notice required to be given under this Agreement or required by law shall be in writing and delivered to the parties at the following addresses:

CITY OF THE DALLS  
City Manager  
313 Court Street  
The Dalles OR 97058

THE DALLS MAIN STREET PROGRAM  
Executive Director  
701 East Second Street #3  
The Dalles OR 97058

Section 10. Applicable Laws. The law of the State of Oregon shall be used in construing this agreement and enforcing the rights and remedies of the parties.

Section 11. Merger. There are no other undertakings, promises or agreements, either oral or in writing, other than that which is contained in this Agreement. Any amendments to this agreement shall be in writing and be executed by both parties.

IN WITNESS WHEREOF, the parties have executed or caused to be executed by their duly authorized officials, this agreement on the respective dates shown below.

CITY OF THE DALLES

THE DALLES MAIN STREET PROGRAM

By: \_\_\_\_\_  
Julie Krueger, City Manager

By: \_\_\_\_\_  
Terry Chance, Executive Director

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

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

DRAFT

# EXHIBIT A



## CITY of THE DALLES

313 COURT STREET  
THE DALLES, OREGON 97058

(541) 296-5481 ext. 1125  
COMMUNITY DEVELOPMENT DEPARTMENT

### MEMORANDUM

June 17, 2020

To: Julie Krueger  
City Manager

Fr: Steven Harris, AICP  
Community Development Director

Re: **Expanded Use of Outdoor Spaces for COVID-19 Business Relief and Pedestrian Activity**

#### Background

The COVID-19 pandemic has drastically altered our business landscape, many restaurants and storefronts face steep obstacles as we look to reopen the city and the economy. Those businesses able to re-open will need to impose strict social distancing and safety measures for their workforce and customers. In particular, restaurants, cafes, and bars will be grappling with significantly reduced dining capacity, with customers being required to abide by social distancing measures. Retailers with smaller tenant spaces will also be faced with limiting in-store customers to accommodate social distancing and other safety measures.

Approval of this proposed program would help increase capacity and reduce the burden that will be placed on food and beverage establishments and retailers. The added seating capacity could make the difference between a business being able to stay afloat and having to close its doors. In addition, this program to open up the use of public spaces for additional outdoor dining and retailing would bring people back to the city's streets faster, increasing traffic for nearby retail and service-based businesses.

The proposed temporary program for the expanded use of outdoor spaces consists of the following:

- Volunteer participation of businesses
- Expansion of existing downtown parklets program
- Utilization of private parking areas and public sidewalks for outdoor dining and retail activity
- Utilization of sidewalk extensions
- Utilization of outdoor public spaces for special events
- Waiver of certain requirements for Mobile Food Vendors (MFV)
- Proposed program end date of October 31, 2020

### **Downtown Parklets Program**

For businesses located in the downtown area, the proposed program would expand upon the existing “parklets” program administered by The Dalles Main Street. Currently there are three (3) parklets available for downtown businesses to lease at no cost from Main Street (Exhibit A). The proposed program would provide City financial assistance to Main Street to fund the construction of up to five (5) additional parklets at an estimated cost of \$5,000 each. **Suggested funding amount - \$25,000.**

### **Private Parking Areas**

Restaurants and retailers with on-site parking would be allowed to temporarily convert up to 33% of their required parking spaces into areas for outdoor dining or display of goods/merchandise. Businesses that are located in shopping centers or share parking areas with other businesses would require approval of center management and/or other affected businesses within a shared area.

### **Public Sidewalks**

Restaurants and retailers adjacent to public sidewalks would be allowed to temporarily expand onto the sidewalks for outdoor dining and to display goods/merchandise to comply with social distancing measures and other requirements that result in reduction of indoor seating capacity or limitation on in-store occupancies. Restaurants would need to comply with local and state food and beverage handling requirements.

A sliding scale of available exterior space would be created for each participating restaurant, the amount of which would decline commensurate with each reopening stage as additional interior space utilization becomes allowed. In that manner, the outdoor seating capacity would provide the necessary seating offset for the restaurant to operate, where space is available, at 100% capacity. As indoor capacity increases, outdoor capacity could decrease so that the total permitted capacity cannot exceed 100%.

### **Sidewalk Extensions**

Public sidewalks will also need to accommodate social distancing measures. This can be accomplished through the temporary widening or extending pedestrian ways beyond the existing curb line into space currently utilized for parking. Measures being implemented by cities can be categorized into two basic approaches:

- Temporary conversion of all curbside parking on a block-by-block basis through the use of safety barriers, pavement markings, etc. The expanded area is then used by pedestrians and bicyclists. Traffic volumes, traffic speeds, alternative traffic routes, adjacent land uses and the loss of public parking are some of the factors to consider when considering to implement this alternative.

Staff does not support this option for the factors cited above.

- A second approach is a more selective conversion of curbside parking to accommodate the use of sidewalks for outdoor dining and displays of retail goods/merchandise (Exhibit B). This approach would implement the sidewalk extensions with the use of raised pedestrian detours. Depending upon the storefront width of the restaurant or retailer space, social distancing measures, and accommodation of ADA accessibility standards, each raised platform could require the temporary conversion of between one (1) to three (3) curbside parking spaces.

## Exhibit A

### **Pedestrian Detours**

The proposed program recommends that the City fund the design and construction of temporary sidewalk extensions (raised pedestrian detours) in the downtown area to accommodate outdoor dining and retail displays of goods/merchandise on sidewalks. The design concept of the pedestrian detours is opposite that of the parklets. With the parklets, curbside parking spaces are converted to raised seating platforms in close proximity to travel lanes. The raised pedestrian detours, located in the curbside parking spaces, consist of an ADA accessible platform with railings and the placement of separate concrete barriers providing a barrier from the travel lanes. The adjacent sidewalks are then available for outdoor dining and retail displays, located away from the travel lanes. These pedestrian detours could also be used in other locations in the community to accommodate sidewalk activities.

Depending upon the size (length) of the raised pedestrian platforms, and the ability to attract donated labor and materials, construction costs for the platforms are estimated between \$2,000 and \$3,500 each. It is recommended that the City contract with Main Street to oversee the design, construction and placement of the platforms. **Suggested funding amount - \$25,000.**

### **Outdoor Public Spaces for Special Events**

The program as presented places an emphasis on mitigating the impacts of social distancing measures on restaurants and retailers by temporarily allowing an expansion of business operations into public spaces. The plan also calls for an extension of public sidewalks in downtown through the use of pedestrian detours to accommodate social distancing measures.

There is also an opportunity to allow for the temporary closure of certain public streets in the downtown area to encourage other business activities or events that cannot be accommodated with the parklets or on the sidewalks. Such activities could include the outdoor showing of movies, music, entertainment, expanded dining opportunities, etc. while complying with social distancing measures and other requirements.

### **Mobile Food Vendors**

The program would allow for the temporary use of portable restrooms to satisfy the Municipal Code requirement that a Mobile Food Vendor locate within 500 feet of a restroom facility for the use of employees. This temporary waiver would allow MFVs greater latitude in operation locations. Also proposed is an extension of time for City licenses and deferment of certain fees. Typical public health approvals and permits would still apply.

### **Program Partners**

As proposed the City would partner with The Dalles Main Street and the Chamber of Commerce for the promotion and implementation of the program. Main Street would be the primary partner for the parklets and raised pedestrian detours in the downtown area. This role would be an extension of the downtown parklet program currently administered by Main Street. The City would enter into an agreement with Main Street to construct and administer the expanded parklets program and the new pedestrian detours. The Chamber would assist in promoting the program to their members, including those members located outside of the downtown area for possible inclusion in the raised pedestrian detours program.

The Columbia Gateway Urban Renewal Agency ("Agency") could also participate in the program by funding construction of the parklets and pedestrian detours for utilization within the Urban Renewal Plan area.

### **Program Timeline**

Implementation of the program would be immediate with execution of an agreement between the City and The Dalles Main Street for construction of the parklets and pedestrian detour platforms, and administration of the program. The program would be in effect until October 31, 2020. Main Street would provide periodic and an end of program updates to the City which would be used, along with other factors, in determining the success and longevity of the program.

### **Program Costs**

Suggested funding amount for the expanded parklets program and implementation of the raised pedestrian detours is \$50,000. Funds would be sourced from the City's FY2020-21 Economic Recovery account. Program costs could also be shared with the Columbia Gateway Urban Renewal Agency.

As proposed Main Street would contract directly with local businesses for the design and construction of the parklets and pedestrian detours. There may also be opportunities for donations of labor and materials, thereby reducing direct program expenditures. As economic recovery resources become available, additional funds could be earmarked for the program.

### **Program Parameters**

#### **I. Pedestrian Activity – Sidewalk Extensions**

- a. Provide space for people to comply with social distancing measures while walking or waiting.
- b. Convert curbside parking or travel lane to pedestrian ways
  - i. Conversion on a block-by-block basis
  - ii. Conversion on a selected basis, used in conjunction with sidewalk outdoor dining, retail displays
- c. Protect expanded pedestrian ways with barriers from vehicular traffic
- d. Focus efforts to areas/blocks with high pedestrian activity
- e. Observe ADA compliance of pedestrian ways (grade, width, surface materials, etc.)

#### **II. Retail Business**

- a. Allow use of sidewalks for temporary outdoor displays of goods/merchandise to comply with applicable social distancing measures and other requirements
- b. Allow use of on-site parking areas for temporary displays of goods/merchandise, up to 33% of the business's required number of parking spaces
- c. Outdoor spaces to be used for temporary outdoor displays shall be limited to no more than 50% of the business's interior display area.
- d. Retail businesses not adjacent to public property would be allowed to temporarily use adjacent private property, upon approval of private property owner
- e. There shall be no fees incurred by any retail business participating in this voluntary and temporary program
- f. Business shall provide City certificate of liability insurance and permit indemnity agreement for temporary use of public property

#### **III. Food & Drink Business**

- a. Restaurants adjacent to sidewalks allowed to temporarily use space to place additional tables for outdoor dining

## Exhibit A

- b. Creation of a sliding scale of available exterior space that would be made available for participating restaurants, the amount of which would decline commensurate with each reopening stage as additional interior space utilization becomes allowed. In that manner, the outdoor seating capacity would provide the necessary seating offset for the restaurant to operate, where space is available, at 100% capacity. As indoor capacity increases, outdoor capacity could decrease so that the total permitted capacity cannot exceed 100%.
- c. Allow use of on-site parking areas for temporary outdoor dining up to 33% of the business's required number of parking spaces
- d. Use of public and private spaces for temporary outdoor dining areas to comply with applicable requirements including but not limited to social distancing, accessibility and alcohol beverage service
- e. Restaurants not adjacent to public property would be allowed to temporarily use adjacent private property, upon approval of private property owner
- f. There shall be no fees incurred by any restaurant participating in this voluntary and temporary program
- g. Restaurants shall provide City certificate of liability insurance and permit indemnity agreement for temporary use of public property

### IV. Mobile Food Vendors

- a. Allow temporary waiver of TDMC Section 8.29.030 prohibiting use of portable toilet facilities to satisfy OAR 333-162-0020 restroom facilities requirements
- b. There shall be no fees incurred for new mobile food vendor licenses issued until October 31, 2020
- c. Mobile Food Vendors that have a valid City MFV license issued prior to the declaration of State of Emergency of the City (March 17, 2020) shall receive an automatic extension to the life of the license for the period from March 17, 2020 to October 31, 2020
- d. Mobile Food Vendors requiring temporary connection to City utilities will have SDC payments deferred until October 31, 2020

### V. Financial Considerations

- a. City to contract with The Dalles Main Street for:
  - i. Construction of up to five (5) new parklets - \$25,000
  - ii. Construction of raised pedestrian platforms - \$25,000
  - iii. Administration of the program
- b. Waiver of City permit fees
- c. Deferral of SDCs for Mobile Food Vendors
- d. Extension of MFV license life until October 31, 2020



## EXHIBIT B

### PARKLETS

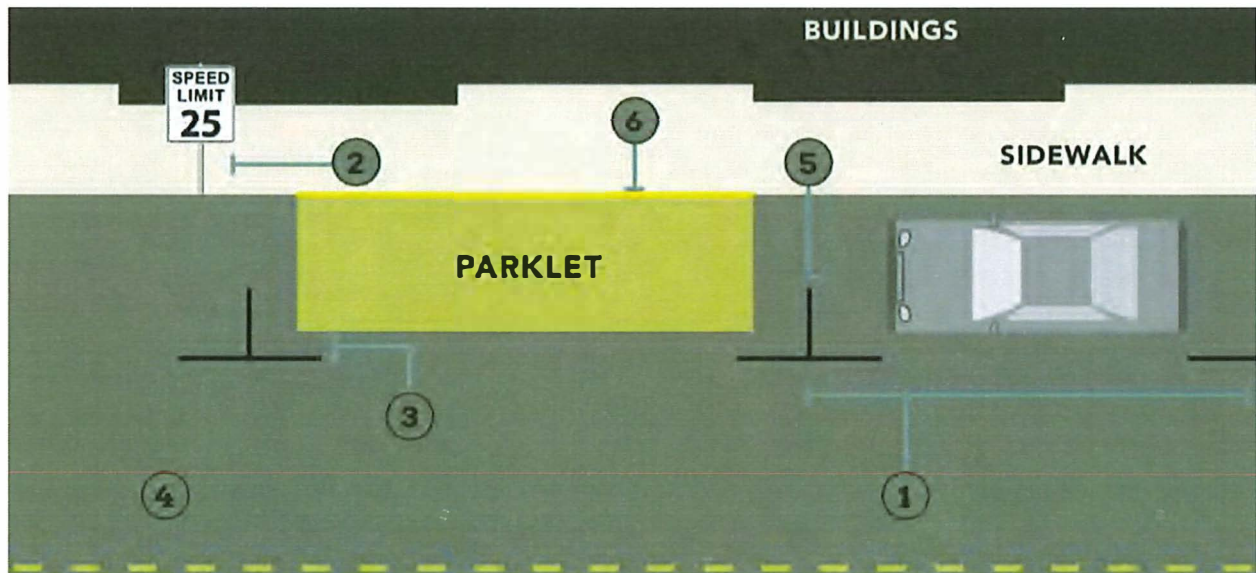
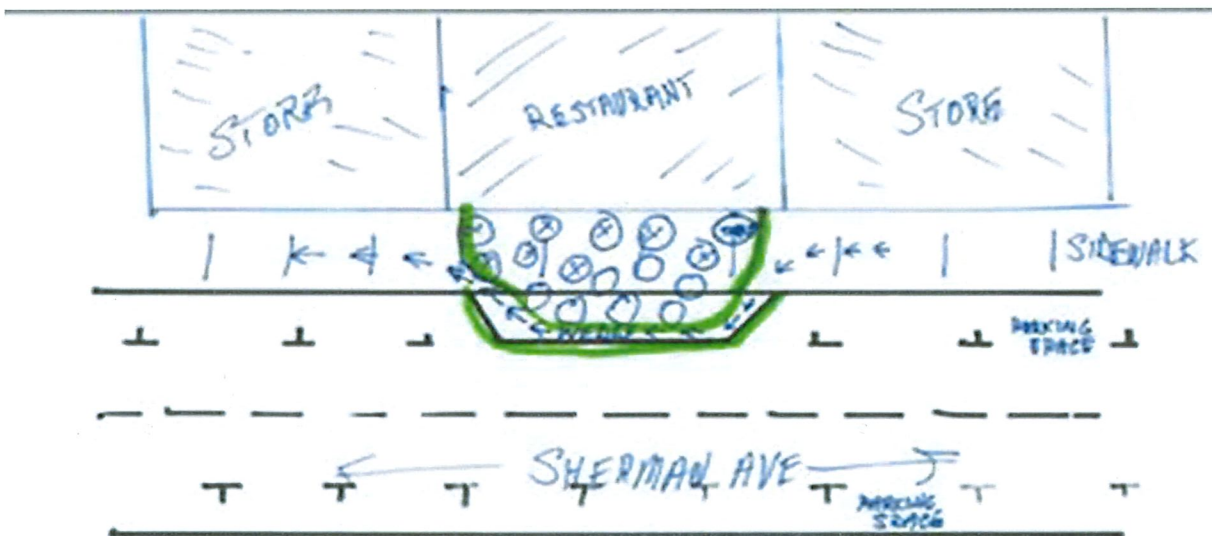




EXHIBIT B

SIDEWALK EXTENSION – RAISED PEDESTRIAN DETOUR





## AGENDA STAFF REPORT

### AGENDA LOCATION: Action Item #9D

**MEETING DATE:** July 13, 2020

**TO:** Honorable Mayor and City Council

**FROM:** Julie Krueger, City Manager

**ISSUE:** League of Oregon Cities Legislative Priorities 2021

**BACKGROUND:** The League of Oregon Cities has provided their list and descriptions of 2021 legislative priorities (attached) and is asking each City to provide their top four issues for the upcoming legislative session.

As in previous years, the Leadership Team has reviewed and recommended their top four to help start the Council's discussion. The City Council has the final decision on which for to submit on behalf of the City.

Staff has selected the following issues:

- COVID 19 Economic Recovery Investments
- Expedited Siting for Shelter and Affordable Housing
- Long Term Transportation Infrastructure Funding
- Mental Health Service Delivery

These align with the City's goals and the needs of our community.

**BUDGET IMPLICATIONS:** None at this time.

### **COUNCIL ALTERNATIVES:**

1. **Staff recommendation:** The City Council should review and discuss the list provided by League of Oregon Cities and choose four items of highest priority.

## **A. Beer and Cider Tax Increase**

### **Legislation:**

The League proposes increasing the state taxes on beer and cider to assist with rising public safety costs, improve public health, reduce alcohol consumption by minors, and provide alcohol tax equity with wine and liquor.

### **Background:**

Oregon's tax has not been increased since 1978 and is currently \$2.60 per barrel which equates to about 8 cents on a gallon of beer. The tax is by volume and not on the sales price, meaning the tax is less than 5 cents on a six-pack. Oregon has the lowest beer tax in the country, and to get to the middle of the states Oregon would need to raise the tax to \$30.00 per barrel or 54 cents per six pack (a more than 10-fold increase). Given recent challenges to the craft brewing industry tied to bar and restaurant closures it may be appropriate to delay or phase-in the increase. Cities are preempted from imposing alcohol taxes. In exchange, cities receive approximately 34% of the state alcohol revenues, but the state takes 50% of beer and wine taxes off the top prior to this distribution. Cities have significant public safety costs related to alcohol consumption, and the beer tax does not come close to covering its fair share of these costs.

*Presented by the Finance and Taxation Committee*

## **B. Broadband Infrastructure and Technical Assistance Funding**

### **Legislation:**

Seek additional state support and funding for increased broadband infrastructure deployment and technical assistance.

### **Background:**

The deployment of broadband and telecommunications networks and services (public and/or private) throughout Oregon is critical to economic development, education, health and safety and the ability of residents to be linked to their governments. Research shows areas of the state either not served or underserved by competitive broadband technology. A significant barrier to the deployment of broadband infrastructure is funding. Cities need additional funding and support from various sources, including the state and federal government, allocated for increased or new, reliable, low latency broadband infrastructure that reaches speeds of at least 25 Mbps download and 3 Mbps upload or any updated speed standards as adopted by the FCC. Many federal grant programs require localities to have a broadband strategic plan in place before they are eligible for funds. Therefore, there is a need for funding sources to help cities with technical assistance as well as infrastructure.

*Presented by the Telecom, Broadband & Cable Committee*

## **C. Building (Reach) Code – Energy Efficiency Local Option**

### **Legislation:**

The LOC will pursue/support legislation to allow communities to adopt the Reach Code as the mandatory residential or commercial building code within the city's jurisdictional boundaries. The Reach Code would represent a building energy code that would be at least 10 percent more efficient than the statewide building code. Under this proposal, cities would be able to adopt the more efficient Reach Code or would continue to use the standard statewide building code as the base code.

### **Background:**

Under current state law, cities are preempted from adopting local building codes. Instead, development is subject to statewide codes, including for new residential and commercial development. In 2009, legislation was passed to implement a new, optional code (Reach Code) that would allow developers to exceed statewide codes and streamline the construction of higher-performance buildings through efficiencies

gained in the building exterior envelope as well as heating, ventilation, air conditioning, piping insulation and lighting. The Reach Code is optional for builders to use, but a local government can't mandate a builder to use it. This legislative recommendation would allow a city to adopt the Reach Code within their jurisdiction in order to promote additional energy efficiency for new residential and commercial structures. If a city does not wish to adopt the Reach Code, the statewide code would remain in place. The LOC Energy & Environment Committee discussed whether this recommendation would impact housing costs and believes that long-term cost savings may be gained through increased energy efficiency in newly built units. Ultimately, the decision on whether to utilize the standard code or the enhanced (Reach) code would be at the discretion of the city.

*Presented by the Energy and Environment Committee*

#### **D. COVID-10 Economic Recovery Investments**

##### **Legislation:**

The League will advocate for continued economic recovery strategies and investments for small business and workforce assistance in response to the economic impacts of the COVID-19 pandemic.

##### **Background:**

The COVID-19 pandemic has had a devastating impact on Oregon's small businesses and workforce. While the federal government and the state have made recent investments to support small business, these resources have yet to meet current needs and more resources will be needed to support long term economic recovery for Oregon's communities. The League will work in coordination with economic development partners to advocate for continued investments to support long-term recovery and economic development.

*Presented by the Community Development Committee*

#### **E. Digital Equity and Inclusion**

##### **Legislation:**

Support legislation and policies that are inclusive and equitable to all, individuals and communities, so that they have the information technology capacity needed for full participation in our society, democracy and economy.

##### **Background:**

Connectivity is crucial to modern life. It is being relied on more for how people do business, learn, and receive important services like healthcare. As technology has evolved, the digital divide has become more complex and nuanced. It is no longer about the existence of technology in certain places. Now, the discussion of the digital divide is framed in terms of whether a population has access to hardware, to the Internet, to viable connection speeds and to the skills and training they need to effectively use it. The LOC will partner with schools, healthcare, and other stakeholders to ensure technologies are relevant, available, affordable, and accessible to the diverse populous and communities of Oregon. Additionally, the LOC will advocate for digital literacy programs to help learn these new technologies.

*Presented by the Telecom, Broadband & Cable Committee*

#### **F. Expedited Siting for Shelter and Affordable Housing**

##### **Legislation:**

The League will pursue legislation to expedite the siting of emergency shelter and other affordable housing that follows the intent of the 2020 shelter siting bill ([HB 4001](#)) but retains more local decision making in the process. The League will pursue this priority in coordination with affordable housing partners and other land use stakeholders.

**Background:**

The League worked closely with city and county partners during the 2020 session to gain improvements to [HB 4001](#), which sought to preempt all local siting and zoning regulations and the land use appeals process, for approving the siting of emergency shelters for a one-year period. HB 4001 received strong legislative support in 2020. Draft omnibus legislation for a potential future special session has included the text of HB 4001 and the League expects to see HB 4001 reintroduced in the 2021 session.

This priority will empower cities and counties to proactively introduce alternative legislation, similar to existing statute in California, which requires jurisdictions to identify places where shelters can locate instead of mandating that jurisdictions allow shelters to be sited anywhere. The California model requires cities and counties to accommodate their need for emergency shelters on sites where the use is allowed without a conditional use permit and requires cities and counties to treat transitional and supportive housing projects as a residential use of property.

*Presented by the Community Development Committee*

**G. Green Energy/Renewables – Expanded Local Option****Legislation:**

The LOC will pursue/support policies that increase local control opportunities for cities that want to establish a community-scale green energy program. This program would be optional for cities that choose to pursue it. Cities who choose to, would be allowed to adopt resolutions that would opt-in residential, commercial, and industrial customers to a voluntary renewable energy option if it is provided by an investor owned utility that serves the city and its electric customers. Under this proposed program, a city would be able to pursue a more aggressive green energy portfolio and would better position cities to meet local climate action goals.

**Background:**

Under current law, customers of investor-owned utilities can opt-in to voluntary renewable energy options for their customers. These options allow customers to invest in additional green energy generation. In 2019, the state of Utah passed legislation ([SB 411](#)) that allows cities and counties to opt-in to programs on a community-scale basis, while still allowing individual customers to opt-out. Under this proposal, any city within the territory of an investor-owned utility, would be able to pursue this option for community-scale renewable energy (net-100% renewable).

*Presented by the Energy and Environment Committee*

**H. Housing and Services Investment****Legislation:**

The League will support increased investments for affordable housing, homeless assistance, and related services including funding for: shelter, homeless services, case management, rent assistance, the development and preservation of affordable housing, and permanent supportive housing.

**Background:**

Cities large and small were facing escalating homelessness rates before the COVID-19 pandemic and the current economic downturn will only increase the number of Oregonians facing eviction or experiencing homelessness. State general fund programs like the Emergency Housing Assistance (EHA) and State Homeless Assistance Program (SHAP) have seen record investments in previous legislative sessions. The legislative emergency board also voted recently to dedicate \$12M in general funds to support rent assistance and safe shelter in response to COVID-19.

Oregon's lack of available housing, high rents and high home prices are causing housing instability and homelessness to increase. The Legislature has made record investments in recent years to fund the LIFT



affordable housing program and preserve Oregon's existing affordable housing infrastructure. These programs are funded through general obligation bonds and lottery backed bonds.

Permanent Supportive Housing is a key strategy for ending chronic homelessness that reduces downstream costs to public systems like public safety, emergency health care and corrections. The 2019 Legislature invested over \$50M to stand up a three-pronged permanent supportive housing program that includes 1) development costs to build, 2) rent assistance to keep units deeply affordable, and 3) wrap around services that are key to ensuring residents' long-term stability. The state should continue investing in this model to bring more Permanent Supportive Housing across the state and ensure that the housing developed with the original \$50M continues receive the necessary ongoing funding for rent assistance and supportive services.

*Presented by the Community Development Committee*

## **I. Increased Budgetary Flexibility During Budgetary Emergency**

### **Legislation:**

The League proposes relaxing budgetary constraints in state law so that cities may better be able to withstand revenue losses related to natural disasters and public health emergencies. These losses will inevitably force many cities to cut services and lay off staff, the legislature can reduce the effect of losses by increasing flexibility for use of funds during and after a declared emergency.

### **Background:**

Cities anticipate a tremendous loss in revenue due to the COVID-19 pandemic. Reduced revenues already include losses to lodging taxes, gas taxes, park fees, development fees, parking fees, utility charges, and so on. Further out, there is widespread concern that there will be impacts to the real estate market going into 2021, and by extension a reduction in 2021-22 property tax revenues. Cities want maximum flexibility in using funds that are subject to statutory limitations but will negotiate terms on individual funding sources including payback requirements if necessary. This flexibility should apply during and after declared emergencies, including both the current pandemic and future natural disasters.

*Presented by the Finance and Taxation Committee*

## **J. Infrastructure Financing and Resilience**

### **Legislation:**

The League will advocate for an increase in the state's investment in key infrastructure funding sources, including, but not limited to, the Special Public Works Fund (SPWF), Brownfield Redevelopment Fund, and Regionally Significant Industrial Site loan program. The advocacy will include seeking an investment and set aside through the SPWF for seismic resilience planning and related infrastructure improvements to make Oregon water and wastewater systems more resilient.

### **Background:**

Cities continue to face the challenge of how to fund infrastructure improvements (both to maintain current and to build new). Increasing state resources in programs that provide access to lower rate loans and grants will assist cities in investing in vital infrastructure. Infrastructure development impacts economic development, housing, and livability. The level of funding for these programs has been inadequate compared to the needs over the last few biennia and the funds are depleting and unsustainable without significant program modifications and reinvestments. This priority will focus on maximizing both the amount of funding and the flexibility of the funds to meet the needs of more cities across the state to ensure long-term infrastructure investment.

*Presented by the Community Development Committee*

## **K. Local Climate Action Planning Resources**

### **Legislation:**

The LOC will seek grant funding and technical assistance resources for cities to pursue, adopt or expand local climate action plans. In addition, the LOC will pursue opportunities to work with the Oregon Climate Change Research Institute (through Oregon State University) to provide cities and counties with local/regional data that can better inform the adoption and implementation of climate adaptation and mitigation at the local level.

### **Background:**

According to the Oregon Department of Energy's [2018 Biennial Energy Report](#) (BER), since the early 1990s, major international and U.S. scientific assessments have concluded that both climate change mitigation and adaptation efforts are necessary in response to climate change. The BER goes on to explain that adaptation is often thought of as actions "to prepare for and adjust to new conditions, thereby reducing harm or taking advantage of new opportunities or simply to reduce society's vulnerability to climate change impacts." Local climate action plans, adopted by cities or counties, can help communities better understand how climate change will impact their communities, and can provide localized solutions to help mitigate against the impacts of climate change. The LOC is aware of fourteen cities that have adopted local climate action plans. There are other cities that are interested in doing the same but that do not have the financial and/or staffing resources that are necessary.

*Presented by the Energy and Environment Committee*

## **L. Local Energy Generation Project Support**

### **Legislation:**

The LOC will support/pursue funding, technical assistance and other tools that make local energy generation more feasible for cities to pursue.

### **Background:**

Local energy generation projects can better position cities to pursue and achieve local climate action goals, address capacity constraints of existing electric transmission lines, and can help cities respond to individual businesses that may be seeking green energy options. The types of local energy generation projects discussed by the committee include, but are not limited to, small-scale hydropower, in-conduit hydropower, methane capture, biomass and solar. Such projects are not intended to conflict with existing low-carbon power purchase agreements but can position cities to pursue local climate action goals and supplement energy needs through renewable generation. Under this recommendation, the LOC will work to identify barriers and potential solutions to local energy generation and will pursue funding assistance for feasibility studies and project implementation.

*Presented by the Energy and Environment Committee*

## **M. Local Speed Setting Authority**

### **Legislation:**

Support legislation that provides legislative authority for ODOT to delegate local speed setting authority to Oregon cities that meet state criteria. Improve safety and speed limit consistency in Oregon cities by establishing a clear delegation process that is consistent with recently adopted statewide speed zone rules. ([OAR 734-020-0014](#), [734-020-0015](#), and [734-020-0016](#)). This will be permissive legislation allowing cities to opt-in and thus will not be a mandate.

**Background:**

The state of Oregon and cities across the state are all committed to improving safety on our streets. National and international research has shown that setting appropriate speed limits on city streets is a critical tool for improving safety and saving lives. During the 2020 legislative session, [HB 4103](#) gained widespread support for setting up a collaborative process with ODOT and cities that opt into a process for gaining local speed setting authority. Despite strong support, HB 4103 did not pass due to the legislative clock running out. Going forward, LOC will work with safety advocates and cities and use HB 4103 from the 2020 session as a template for legislation in 2021. Delegated authority should be made available to all cities that meet ODOT's criteria; participation by cities is permissive (not required). Cities should be able to determine speeds that are adequate and safe for their communities, working within the OAR speed zone framework. This will improve safety and make speed setting more consistent across local government jurisdictions.

*Presented by the Transportation Committee*

**N. Long Term Transportation Infrastructure Funding****Legislation:**

Support expansion and consideration of revenue-generating options to fund multimodal transportation infrastructure, which includes state and local facilities. Support state and local projects that are part of the Statewide Transportation Improvement Program.

**Background:**

Oregon has made two significant state-wide transportation investments in the last 15 years. In 2009, the [Jobs and Transportation Act](#) (JTA) passed. This was a successful effort from local governments and the business community to invest in maintenance and capacity building projects state-wide. In 2017, [HB 2017](#) established Oregon's first ever comprehensive, multimodal, transportation investment with what is known as "Keep Oregon Moving," which was a \$5.3 billion package. Although HB 2017 will not have its full funding until 2024 LOC and other transportation advocates will need to constantly explore other sources of revenue including a possible future replacement of Oregon's gas tax with a road user charge system. Oregon has been pioneering a vehicle miles traveled (VMT) tax within the [MyOReGo](#) pilot program. The program is voluntary and can provide several benefits to users. Ultimately the long-term structure for transportation investment may well take on a similar structure.

*Presented by the Transportation Committee, endorsed by the Community Development Committee*

**O. Low-Income Energy Efficiency and Affordability Programs****Legislation:**

The LOC will provide support for programs that seek to expand upon low-income energy and heating assistance programs, including programs targeted to make energy more affordable for rental properties. In addition, the LOC will work to support programs that provide for energy bill payment assistance and expand opportunities for low-income Oregonians to access resources for home weatherization.

**Background:**

According to Oregon Housing & Community Services, approximately 396,182, or about 25 percent of all households, are considered energy-burdened because of their energy-related expenditures (as of 2018). A household is considered energy burdened if six percent or more of its gross income is consumed by energy-related expenses. In recent years, legislation has been introduced in Oregon that would have provided additional assistance to low-income homeowners and renters that struggle with energy affordability. Unfortunately, legislation did not pass. The need for such assistance has increased as a result



of the economic hardships resulting from COVID-19. In addition to bill payment assistance, there is a need for programs that will support low-income home weatherization in order to make energy bills more affordable in the long-term.

*Presented by the Energy and Environment Committee*

## **P. Marijuana Tax Local Rate Limitation Increase**

### **Legislation:**

The League proposes increasing the current 3% cap on local marijuana taxes. This would give local voters greater choice in choosing a rate that reflects their needs or their community.

### **Background:**

Retailers licensed by the Oregon Liquor Control Commission (OLCC) are required to charge a state-imposed retail sales tax of 17 percent for all recreational marijuana sold. Cities and counties (unincorporated areas only) may also impose a local retail sales tax of up to 3%, subject to voter approval. Tax rates for recreational marijuana vary widely across the states, but the total Oregon tax burden at a maximum of 20% is the lowest of West Coast states. Washington imposes a 37% state excise tax, but with a state sales tax of 6.5% and local rates of up to 1.9% the total rate can reach over 45%. California has a retail tax of only 15%, but with a state sales tax of 7.5% and local taxes up to 15.25% the total rate can reach up to 37.75%. Oregon consistently ranks among the lowest of the states for marijuana prices. Cities are sensitive to the desire to not push consumers to the black market and will work with the legislature on an increased cap that balances that concern with local revenue needs.

*Presented the Finance and Tax Committee*

## **Q. Mental Health Service Delivery**

### **Legislation:**

Support the delivery of mental health services in order to reduce negative police interactions and ensure that those in need receive the help they require.

### **Background:**

The Committee and the LOC membership have prioritized the delivery of mental health services periodically over the last 5 years. Items contained in this priority have included crisis intervention training for police officer, mobile police and social worker teams to proactively work with people in danger of going into crisis, jail diversion, mental health courts and greater access to care. In the immediate past short session, the LOC worked with its coalition partners to obtain \$9 million in additional funding for aid-and-assist, community care and jail diversion but was unsuccessful due to a lack of quorum.

While the measurements are subjective and not in general agreement, most surveys of behavioral health and alcohol and drug addiction service availability place Oregon near or at the bottom of state rankings. As a result, Oregon ranks third in the nation for [alcohol related deaths](#), and above the national average in [suicides](#). Anecdotally, most police chiefs that have participated in LOC conversations on this topic report a growing number of calls for service stemming from people in mental health crisis. The COVID-19 pandemic has exacerbated some of these issues with Portland Police Bureau reporting a 41% increase in suicide related calls (including attempts and threats) over this time last year. This priority would include but not be limited to:

**Investment:** The stark truth is that Oregon has never financially supported mental health services at a level commensurate with need. More beds and more capacity will allow for greater delivery. The spending plan may be complicated but many advocates bristle at the idea of “mental health reform” when it’s never been funded as a priority. The League does not have a specific number at this time but is in conversation with partners to develop one.

Decimalization of Mental Illness: People suffering from mental illness that interact with the criminal justice system typically spend more time incarcerated and suffer a disruption in treatment. Jail diversion has been something the League has advocated for in previous sessions and but will require changes in law, training and investments.

Workgroups Outcomes: There are currently several workgroups developing behavioral health reform plans that have yet to be completed, much of that work has been interrupted by COVID 19. LOC staff can update the Committee on these their work continues but cannot make recommendations on them now.

Alcohol Availability: The prevalence of cheap and potent alcoholic beverages that are produced and sold for the express purpose of achieving rapid intoxication has been a concern for Oregon Recovers, an advocacy group for those recovering from addiction. OLCC sells several 750 ml bottles for under \$10 and some as low as \$5. Creating a minimum price per international unit of alcohol has had an impact on consumption of cheap, potent beverages in Scotland and is believed to have had an impact on consumption there. Raising the price of low cost but high-volume products would also increase city shared revenue and provide additional funding for behavioral health services.

Mental Health Parity: Oregon and the federal government have enacted statutes to ensure that mental health services are treated as a health issues in a manner identical to physical health by health insurers. The legislative intent behind these laws has not been met as evidence by reports of denied coverage. Ensuring effective parity would increase treatment an access.

*Presented by the General Government/Human Resources Committee, endorsed by the Community Development Committee*

## **R. Municipal Broadband and Pole Protection**

### **Legislation:**

Oppose legislative efforts to restrict existing municipal authority to provide broadband services, and own and operate poles in the rights-of-way.

### **Background:**

As the public grows more dependent on the Internet for expanding parts of their lives, community choices for gaining access at a reasonable price, for both consumers and producers, are dwindling. Some municipalities choose to become service providers themselves. Municipal broadband is sometimes the only way to bring high speed internet to a community and it can serve as an access point to neighboring communities. Additionally, municipal broadband adds competition to the market and can help lower prices for community members. As there is a push for more connectivity and bridging the digital the divide, the LOC will protect localities rights to be internet service providers for their own communities. Additionally, as more and more small cell and 5G technology is deployed in the rights-of-way, the LOC will protect the right of municipalities to own, operate and regulate attachments that are allowed on their poles.

*Presented by the Telecom, Broadband & Cable Committee*

## **S. New Mobility Services**

### **Legislation:**

Support for a variety of new mobility services that promote a safe, sustainable, and equitable multimodal transportation system, while preserving local government's authority to regulate services and ensure they best serve the local context.

### **Background:**

Transportation mobility has been rapidly changing over the last few years. The emergence of ridesharing services such as Transportation Network Companies (TNCs) now provide the public with more options to

get from point “a” to point “b.” New platforms continue to emerge such as scooters, shared bikes, electric delivery tricycles for package delivery and the possibility of future driverless delivery and vehicle fleets. Cities must have the flexibility to address the impacts of emerging technologies on their communities such as increased congestion and air pollution while protecting consumers and maintaining a safe transportation network that recognizes the unique needs of individual communities.

*Presented by the Transportation Committee*

## **T. Photo Enforcement Safety Cameras**

### **Legislation:**

Support continuation and expansion of fixed speed and red-light cameras and mobile speed radar state-wide to improve public safety in high-crash corridors. Explore changes that enable more streamlined processing of citations. Allow for local governments to form IGA’s with other local governments to facilitate the use of safety cameras and mobile radar in their communities.

### **Background:**

The Oregon Transportation Safety Action Plan sets a goal of no deaths or life-changing injuries on Oregon’s transportation system by 2035. In 2015, the Oregon Legislature granted the city of Portland the authority to implement a fixed speed safety camera program ([HB 2621](#)). Portland’s fixed speed camera systems have been operating on “urban high crash corridors” for the past several years. Data collected at these locations shows a distinct change in driver behavior that has reduced the risk of collisions (See [PBOT Report](#)). Under existing statutes, photo radar is allowed in the cities of Albany, Beaverton, Bend, Eugene, Gladstone, Medford, Milwaukie, Oregon City, Portland and Tigard. LOC’s goal is to bring this authority state-wide providing all cities with the choice of operating speed radar in their communities to improve safety and reduce the risk of high-speed crashes.

*Presented by the Transportation Committee*

## **U. Property Tax Reform**

### **Legislation:**

The League of Oregon Cities proposes that the Legislature refer a constitutional measure and take statutory action to reform the property tax system as part of the 2021 session. With the passage of the Corporate Activities Tax Oregon has taken a step towards long term financial stability at the state and school district level, but local budgetary challenges persist and the legislature must take action to allow cities and other local governments to adequately fund the services that residents demand.

### **Background:**

The property tax system is broken and in need of repair due to Measures 5 and 50, which are both now over 20 years old. The current system is inequitable to property owners and jurisdictions alike, is often inadequate to allow jurisdictions to provide critical services, removes all local choice, and is incomprehensible to the majority of taxpayers. Local governments and schools rely heavily on property tax revenues to pay for services and capital expenses. Therefore, the League will take a leadership role in forming coalitions to help draft and advocate for both comprehensive and incremental property tax reform option packages. The League will remain flexible to support all legislation that improves the system, with a focus on a property tax package that includes, but may not be limited to these elements:

- To restore local choice, a system that allows voters to adopt tax levies and establish tax rates outside of current limits and not subject to compression (requires constitutional referral).
- To achieve equity, a system that has taxpayers’ relative share tied to the value of their property, rather than the complex and increasingly arbitrary valuation system based on assessed value from Measure 50 (requires constitutional referral).

- To enhance fairness and adequacy, a system that makes various statutory changes, some of which would adjust the impact of the above changes. For example, as a part of comprehensive reform the League supports a new reasonable homestead exemption (percentage of RMV with a cap) but also supports limiting or repealing various property tax exemptions that do not have a reasonable return on investment.

*Presented by the Finance and Tax Committee, endorsed by the Community Development Committee*

## **V. Reducing Wastewater Impacts from Wipes and Other “Non-Flushables”**

### **Legislation:**

The LOC will work with other stakeholders, including the Oregon Association of Clean Water Agencies address challenges resulting from wipes and other non-flushable items. Legislation pursued will likely focus on requirements for manufacturers to clearly label product packaging to indicate that the product should not be flushed, however, the LOC will additionally explore other viable opportunities to address the public health, environmental and economic challenges resulting from improper disposal of these products.

### **Background:**

In recent years, public wastewater systems have experienced significant increases in sewer line clogs, environmental impacts, infrastructure impacts and costs associated with wipes being flushed down toilets. Most wipes don’t break down when flushed, and even wipes that are labeled as “flushable” can clog pipelines and pumps and can cause sewage overflows in residences and the environment. The COVID-19 pandemic has made this challenge even worse due to shortages of toilet paper and increased use of disinfecting wipes. The EPA and other national organizations, as well as statewide and local wastewater agencies, are working to get the message out to avoid costly as well as environmental impacts of wipes in our sewer and treatment systems. In March of 2020, the state of Washington passed legislation requiring manufacturers to label products with a “do not flush” logo if the product does not meet national “flushability” standards (i.e. breaking down in the sewer system).

*Presented by the Water/Wastewater Committee*

## **W. Right-of-Way/Franchise Fees Authority Preservation**

### **Legislation:**

Oppose legislation that, in any way, preempts local authority to manage public rights-of-way and cities’ ability to set the rate of compensation for the use of such rights-of-way.

### **Background:**

In its commitment to the protection of Home Rule and local control, the LOC consistently opposes restrictions on the rights of cities to manage their own affairs. From time to time, in the context of public rights-of-way management authority discussions, legislative proposals to restrict this authority arise. Efforts to restrict local authority often include proposals for a statewide right-of-way access policy and compensation system as well as limiting the ability of cities to charge fees of other government entities. This is contrary to local government management authority; the ability to enter into agreements with users of the right-of-way either by agreement/contract or ordinance; to set terms of right-of-way use and to set the rate of compensation. In recent years the FCC has passed rulemaking through various orders like the Small Cell Orders ([FCC 18-133](#) and [FCC 18-111](#)) and the Cable Franchising Order ([FCC 19-80](#)) that erode cities’ right-of-way and franchising authority. Local governments around the U.S. are fighting these orders in court. There is a fear that the language of these orders will be codified in state legislatures. This would mean if the orders are overturned in court at the federal level, they will still impact cities in states that have passed laws codifying the orders.

*Presented by the Telecom, Broadband & Cable Committee*

## **X. State Highway Funds Formula**

### **Legislation:**

Consider opening the state highway fund distribution formula to allow for an additional percentage to cities. Currently the split is 50-30-20 with the State receiving 50%, Counties receiving 30% and the balance going to Cities 20%.

### **Background:**

Oregon has had a distribution formula for the state highway fund for decades. [This fund](#) combines the revenues generated from the state's gas tax, weight-mile tax on heavy trucks, licenses, fees, and bond proceeds. Approximately 77 percent of the total revenue collected by Oregon Department of Transportation (ODOT) is from state sources, while only 23 percent comes from federal sources. During the 2017 session base level funding for the least populated counties was established along with a \$5 million-dollar small city fund for cities under 5,000 in population with a maximum award of \$100,000 and no match requirement. LOC will engage with other transportation interests to determine if there is adequate support to advance legislation that would revisit the current 50-30-20 distribution.

*Presented by the Transportation Committee*

## **Y. Tort Liability Reform**

### **Legislation:**

COVID-19 and existing federal court decisions have added risk exposure to cities in areas where their authority has been limited or have not received adequate support. This priority seeks to ensure that cities are not held liable in these areas.

### **Background:**

CIS has already had a COVID related claim filed against it for a COVID related exposure. While there may be many legitimate reasons for a person to seek damages related to the outbreak, local governments have been hampered by inadequate supplies of PPE, testing capability, direct financial support, and legislative relief.

Additionally, the Boise decision that prevents cities from enforcing no camping rules and ordinances subject cities to additional tort liability. The ruling holds that if a person has no place else to go, a city must allow them to sleep somewhere. While there is a logical basis for the core of the ruling, if a city allows a person to sleep in an area that is not designed for camping, such as a park, the person may seek damages. Please note that recreational users of parks may not seek damages due to Oregon's recreational immunity statute that were corrected in 2017.

Finally, in previous sessions, legislation has been introduced but not passed to require cities to permit shelters in areas where they may not be appropriate and "codify" the Boise decision in state law. This legislation did not include immunity from tort liability while removing city authority.

*Presented by the General Government/Human Resources Committee*

## **Z. Water Utility Rate and Fund Assistance**

### **Legislation:**

The League will work during the 2021 legislative session to provide water utility funding assistance for ratepayers that are experiencing ongoing or recent economic hardships. In addition, the LOC will work to identify opportunities for additional investments in public infrastructure, including water supply, wastewater treatment, stormwater management, green infrastructure opportunities and resilience for water systems. Finally, the LOC Water & Wastewater Policy Committee has identified a need for additional,

targeted grant funding assistance that will benefit smaller communities. This includes additional funding to conduct rate studies, feasibility studies and funding to help communities comply with new regulatory requirements, including the requirement to include a seismic risk assessment and mitigation plan within regular water master plan updates.

**Background:**

In response to economic impacts associated with the spread of COVID-19, many of Oregon's drinking water and wastewater utility providers have offered additional assistance to ratepayers. The LOC is aware that most water utility providers have temporarily ceased water service shut offs (disconnections) for non-payment or past due bill collection during this period of economic hardship. Impacts associated with residential ratepayer revenue losses and decreased water consumption from businesses that have either closed or limited operations has resulted in revenue losses for many Oregon water utility providers. Some water utilities have outstanding debt from prior infrastructure investments and have expressed concerns that reductions in revenue may impact the ability to make the ongoing debt payments. In addition, the economic hardships that are being experienced by many Oregonians, especially in low-income and minority communities, will be ongoing; highlighting the need for additional ratepayer assistance investments that focuses on equity and our most vulnerable populations.

The LOC will work to identify funding for water utility ratepayer assistance and will work to establish a framework for the distribution of funds and will seek to ensure that this crisis does not exacerbate existing inequities, especially for Black, Indigenous, other Communities of Color and for rural Oregonians.

In addition, while COVID-19 has created unique revenue challenges for water utility providers, a key issue that most cities continue to face is how to fund infrastructure improvements (including maintaining, repairing and replacing existing infrastructure and building new infrastructure to address capacity and regulatory requirements). Increasing resources in programs that provide access to lower-rate loans and infrastructure-specific grants will assist cities in investing in vital infrastructure improvements which will also help bolster economic recovery. Infrastructure development impacts economic development, housing, and livability. The level of funding for these programs has been inadequate compared to the needs over the last few biennia and the funds are depleting and unsustainable without significant program modifications and reinvestments.

The LOC will pursue additional funding through the state's Special Public Works Fund, which provides funding assistance through Business Oregon for a variety of public infrastructure needs and will explore state bonding capacity opportunities for water-specific infrastructure needs. In addition, LOC will pursue funding for small communities that face regulatory and operational challenges. Examples of small-community funding assistance opportunities may include expanded grant opportunities through existing funding programs and additional funding assistance to help communities with regulatory compliance and engage in utility best practices, including rate studies.

*Presented by the Water/Wastewater Committee, endorsed by the Community Development Committee*

## Acknowledgements

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