

AGENDA

REGULAR CITY COUNCIL MEETING

July 27, 2020

5:30 p.m.

VIA ZOOM

<https://zoom.us/j/98843752888?pwd=Vkl4cTkrc0c0eUxvdDNkT0F0UHhSZz09>

Meeting ID: 988 4375 2888

Password: 686375

Dial

1 253 215 8782

1 346 248 7799 US

1. CALL TO ORDER
2. ROLL CALL OF COUNCIL
3. PLEDGE OF ALLEGIANCE
4. APPROVAL OF AGENDA
5. AUDIENCE PARTICIPATION

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

FOR ZOOM: Please raise your hand if you would like to address Council.

6. CITY MANAGER REPORT
7. CITY ATTORNEY REPORT
8. CITY COUNCIL REPORTS
9. 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.

CITY OF THE DALLES

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

- A. Approval of the July 13, 2020 Regular City Council Meeting Minutes
- B. Authorization to declare certain Public Works property as surplus
- C. Approval Resolution No. 20-020 Concurring with the Mayor's Appointment to Library Board

10. ACTION ITEMS

- A. Enterprise Zone Abatement Agreement with Worldwide Structures, LLC
- B. Resolution No. 20-019 Supporting Fair Housing Amendments Act of 1988

11. DISCUSSION ITEMS

- A. Federal Street Public Plaza Concept Design

12. ADJOURNMENT

This meeting conducted in a handicap accessible room.

Prepared by/
Izetta Grossman, CMC
City Clerk



AGENDA STAFF REPORT

AGENDA LOCATION: Item #8 A-C

MEETING DATE: July 27, 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 July 13, 2020 Regular City Council Meeting Minutes.

BUDGET IMPLICATIONS: None.

SYNOPSIS: The minutes of the July 13, 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 July 13, 2020 Regular City Council meeting minutes.

- B. **ITEM:** Resolution No. 20-2020 Concurring with Mayor's Appointment to Various Commissions and Committees

BUDGET IMPLICATIONS: None

SYNOPSIS: The Mayor has done substantial work interviewing prospective members. The Resolution has been prepared for your review.

RECOMMENDATION: Approve Resolution No. 20-020 Concurring with the Mayor's Appointment to Various Committees and Commissions

- C. **ITEM:** Authorization to Declare Certain Public Works Property as Surplus

BUDGET IMPLICATIONS: None

SYNOPSIS: The following is a list of Public Works vehicles and equipment that are recommended to be declared surplus from the Transportation Division as they are no longer useful, but still retain value. The items listed will be disposed of through a local auction.

1. 1994 Ford F350 Service Truck, VIN# 1FDKF37G6REA17814, 119,182 miles, estimated value \$3,000.
2. 1992 Dodge Ram Service Truck, VIN# 1B7KE26Z4NS608756, 95,474 miles, estimated value \$1,000.
3. 8 yard steel scrap bin, unknown year, unknown manufacturer, unknown origin, estimated value \$300.
4. 1974 Layton Propaver, Model H-500B, Serial # H-6600-B-4, estimated value \$500, originally purchased in 2000 from the City of Goldendale for \$500.

RECOMMENDATION: Declare Public Works items as surplus and authorize sale at auction.

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MINUTES

CITY COUNCIL MEETING

July 13, 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:

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

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 Randall to lead the Pledge of Allegiance.

Councilor Randall led the Pledge of Allegiance.

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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; all Councilors voting in favor.

CITY MANAGER REPORT

City Manager Julie Krueger reported that the Columbia Gorge Veteran's Museum was moving into the Municipal Court room. She said Municipal Court would be held in the Council Chamber.

She reminded Council and any interested citizens that deadline for filing for the open Mayor and Council positions was August 25. She said to contact the City Clerk for more information,

CITY COUNCIL REPORTS

Councilor Runyon reported:

- Outside the Wire Veterans group
- Q-life
- City Manager and Columbia Gorge Veteran's Museum
- Vogt Fountain ribbon cutting

Councilor Miller reported:

- 4th of July event at the Bargeway – Fireworks were great.
- Met with the City Manager

Councilor McGlothlin reported:

- Vogt Fountain Ribbon Cutting
- Airport Board meeting on Friday
 - Fuel tanks need upgrading
 - Apron Project begins July 20th
 - Ft. Lewis is utilizing the Airport
- 4th of July Fireworks were spectacular

Councilor Long-Curtiss reported:

- Homeless Issues
 - St. Vincent working on solutions
 - Success placing people in permanent/transitional housing

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Mayor Mays reported:

- DEQ – AmeriTies Plant
- KIHR program
- Mayors Association meetings
- 4th of July at Bargeway
- Vogt Fountain Ribbon Cutting
- League of Oregon Cities Conference calls
- Columbia Gorge Community College Skill Center Ribbon Cutting

CONSENT AGENDA

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

Items approved on the consent agenda were: 1) June 22, 2020 Regular City Council Meeting Minutes; 2) Resolution No. 20-015 Concurring with Mayor's Appointments to Various Committees and Commissions

Mayor Mays said Councilor Randall would be taking Councilor McGlothlin's place on the Historic Landmarks Commission; and Councilor McGlothlin would remain on the Airport Board.

ACTION ITEMS

Google Enterprise Zone Agreement Amendment

Enterprise Zone Manager, Matthew Klebes reviewed the staff report.

Klebes said the agreement passed Wasco County Board of Commission unanimously.

Runyon said he was glad to see how this agreement had come together. He said he appreciated all the ways Google supports the community.

Miller echoed Runyon's comments.

It was moved by Miller and seconded by Randall to approve the Google Enterprise Zone Agreement amendment. The motion carried 5 to 0. Councilors Long-Curtiss, Runyon, Miller, Randall, McGlothlin voting in favor; none voting opposed.

Recycling Proposal

City Manager Julie Krueger reviewed the staff report.

Krueger said that approval would also be approving an effective date of July 13, 2020. She said it was important to move forward on the recycling as soon as possible.

Long-Curtiss asked if there were metrics for when the surcharge would end.

City Manager Krueger said when the market for recyclables returned the surcharge would end.

The Dalles Disposal Manager, Jim Winterbottom said trigger point would be when the cost of recycling came down enough to pay for the program.

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

Miller said she had talked with Winterbottom regarding how the citizens could find information on the new list of things that would be recycled. She said there was a website and curbside tags.

Long-Curtiss said the program was needed and the surcharge was fair. She said she would like a more specific trigger for when the surcharge would end.

Mayor Mays said the City Manager would keep Council informed.

Expanded Use of Outdoor Spaces Agreement

City Manager Krueger reviewed the staff report.

Don Warren, President of The Dalles Main Street Program said the parklets would be stored in the Bus Barn during the winter months. He said they are working with Iron Works on the design, and Public Works would be providing ADA requirements.

It was moved by Randall and seconded by Miller to authorize the City Manager to enter into an agreement with Main Street to implement and manage the Expanded Outdoor Retail Space Program. The motion carried 5 to 0. Councilors Long-Curtiss, Runyon, Miller, Randall, McGlothlin voting in favor; none voting opposed.

Legislative Priorities

City Manager Krueger reviewed the staff report.

Long-Curtiss asked why the transportation was a staff recommendation. She said the State is working on future funding.

Public Works Director Dave Anderson said with the increase of electric vehicles, gas taxes would continue to decline. He said the State was looking for future funding models.

Long-Curtiss said she felt Housing Services was a more urgent need at this time.

Mayor Mays said he had no objection to adding Housing instead of Transportation.

City Manager Krueger said she agreed with Councilor Long-Curtiss.

It was moved by Long-Curtiss and seconded by McGlothlin to approve the staff recommendation with adding Housing and removing Transportation. The motion carried 5 to 0. Councilors Long-Curtiss, Runyon, Miller, Randall, McGlothlin voting in favor; none voting opposed.

ADJOURNMENT

Being no further business, the meeting adjourned at 6:18 p.m.

Submitted by/
Izetta Grossman, CMC
City Clerk

SIGNED: _____

Richard A. Mays, Mayor

ATTEST: _____

Izetta Grossman, CMC City Clerk

RESOLUTION NO. 20-020

**A RESOLUTION CONCURRING WITH THE
MAYOR'S APPOINTMENTS TO THE WASCO COUNTY/THE DALLES LIBRARY
BOARD (LIBRARY)**

WHEREAS, there are vacant positions on the Library Board; and

WHEREAS, the Mayor has elected to appoint Corliss Marsh to the Library Board

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

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

Corliss Marsh to the Library Board; with term expiring June 30, 2024.

Section 2. This Resolution shall be effective July 27, 2020.

PASSED AND ADOPTED THIS 27th DAY OF July, 2020.

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

AND APPROVED BY THE MAYOR THIS 27th DAY OF July, 2020.

SIGNED:

ATTEST:

Richard A. Mays, Mayor

Izetta Grossman, CMC, City Clerk



MEMORANDUM

SUBJECT: Wasco County Joint Enterprise Zone Application: Worldwide Structures

TO: CITY OF THE DALLES COUNCIL

FROM: MATTHEW KLEBES, ENTERPRISE ZONE MANAGER

DATE: 7/15/2020

BACKGROUND INFORMATION:

Enterprise Zones in the State of Oregon exempt eligible businesses from local property taxes on new investments for a specified amount of time. Businesses commit to creating new jobs and, dependent on the length of abatement, commit to certain wage and compensation thresholds as well as other local requirements.

Wasco County, City of The Dalles, and Port of The Dalles sponsored the Wasco County Joint Enterprise Zone in 2018. On June 12, 2020 Worldwide Structures Property Company LLC submitted a completed application requesting an extended abatement option for a total of 5 years. They intend to build a new 35,000 square foot facility located at 3855 River Road, The Dalles, OR 97058. The company intends to use the facility to modify building materials, assemble all components of a completed home and some commercial structures, and ship the building to site.

Carrie Pipinich and Matthew Klebes (Zone Managers) along with Jill Amery, Tax Assessor met with representatives of the company on July 1, 2020 to review the provisions of an enterprise zone agreement and answer any questions. A summary of that meeting is included in your packet.

The request for an extended abatement (5 years) requires an agreement approved by the Zone sponsors. This agreement sets the wage and compensation thresholds the company must meet in order to qualify for the 4th and 5th years of abatement. Specifically, the applicant's average employee *compensation* throughout the 5 year abatement must be 130% or higher than the County's average annual *wage* AND that the applicant's average wage must be 100% or higher than the County's average wage in the 4th and 5th year.

Following precedent, it also includes a provision where the company will pay the sponsors a community service fee computed as a percentage of their tax savings (50% in the 4th year and 75% in the 5th year) as well as a, "sweat equity" option the applicant could pursue with zone sponsor approval.

Staff has presented this item to the Wasco County Commission with unanimous approval and will present to the Port of The Dalles Commission the week of July 20th.

Motion Language: *Move to approve Resolution 20-018 APPROVING AN ENTERPRISE ZONE TAX ABATEMENT AGREEMENT BETWEEN THE SPONSORS OF THE WASCO COUNTY JOINT ENTERPRISE ZONE AND WORLDWIDE STRUCTURES PROPERTY COMPANY, LLC.*

Oregon Enterprise Zone Authorization Application*

Complete form and submit to the local enterprise zone manager **before** breaking ground or beginning work at the site.

Applicant

Enterprise zone or rural renewable energy development zone (where business firm and property will be located)		Email	
Name of business firm		Phone ()	
Mailing address	City	State	ZIP code
Location of property (street address if different from above)	City	State	ZIP code
County, TRS map ID number, and Tax lot number of site	Contact person	Title	

My firm expects to first claim standard property tax exemption in (up to three consecutive) year(s): _____

- ☐ Check here if your firm has or has had another exemption in this enterprise zone.
- ☐ Check here that your firm commits to renew this authorization application. Renew this application on or before April 1 every two calendar years, until the tax exemption on qualified property is claimed.
- ☐ Check here if requesting an **extended abatement** of one or two additional years of exemption. Extended abatement is subject to written agreement with local zone sponsor before this application is approved and to additional state or local requirements.

Zone manager use only (after written agreement but before authorizing firm):

County average annual wage: \$ _____ Year _____ Total exemption period: 4 ☐ or 5 ☐ Consecutive years (check one)

Business eligibility

Eligible activity—Check all activities that apply to proposed investment within the enterprise zone:

- ☐ Manufacturing ☐ Fabrication ☐ Bulk printing ☐ Shipping ☐ Agricultural production ☐ Energy generation
- ☐ Assembly ☐ Processing ☐ Software publishing ☐ Storage ☐ Back-office systems
- ☐ Other—describe the activities that provide goods, products, or services to other businesses (or to other operations of your firm): _____

- ☐ Check here if your business firm does or will engage in **ineligible activities** within the enterprise zone (such as retail sales, health care, professional services, or construction). Describe below (or in an attachment) these activities and their physical separation from “eligible activities”: _____

Special cases—Check all that apply:

- ☐ Check here if a **hotel, motel, or destination resort** in an applicable enterprise zone.
- ☐ Check here if a **retail/financial call center**. Indicate expected percent of customers in local calling area: _____ %.
- ☐ Check here if a **“headquarters” facility**. (Zone sponsor must find that operations are statewide–regional in scope and locally significant)
- ☐ Check here if an **electronic commerce investment** in an e-commerce enterprise zone.

Employment in the enterprise zone (see worksheets on last page)

Don't count FTEs, temporary, seasonal, construction, part-time jobs (32 hours or less per week), or employees working at ineligible operations.**Existing Employment**—My business firm's average number of full-time employees **inside the zone** over the past 12 months is _____**New Employees**— • Hiring is expected to begin on (date or month and year): _____

• Hiring is expected to be completed by (month and year): _____

• Estimated total number of new employees to be hired with this investment is: _____

Commitments—By checking all boxes below, you agree to the following commitments as required by law for authorization:

- ☐ By April 1 of the first year of exemption on the proposed investment in qualified property, I will have increased existing employment within the zone by one new employee or by 10%, whichever is greater.
- ☐ My firm will maintain at least the above minimum level as an annual average employment during the exemption period.
- ☐ When the exemption claim is filed by April 1 following each calendar year of exemption, total employment in the zone will also not have shrunk by more than 85% at one time or by more than 50% twice in a row, compared to the highest such figure with any previous claim.
- ☐ My firm will comply with local additional requirements as contained in: (1) a written agreement for an extended abatement, (2) zone sponsor resolution(s) waiving required employment increase inside zone, or (3) an **urban** enterprise zone's adopted policy, if applicable.
- ☐ My firm will verify compliance with these commitments, as requested by the local zone sponsor, the county assessor or their representative, or as directed by state forms or administrative rules.
- ☐ My firm will enter into a **first-source hiring agreement** before hiring new eligible employees. (This **mandatory** agreement entails an obligation to consider referrals from local job training providers for eligible job openings within the zone during at least the exemption period.)

Oregon employment outside the enterprise zone

Check only those that apply:

- ☐ Check here if yours or any commonly controlled firm will curtail operations in the state **beyond 30 miles of the zone boundary and move them into the zone**. Indicate timing, location, number of any job losses, and relationship to the proposed enterprise zone investment:
- ☐ Check here if you are transferring operations into the zone from site(s) in the state **within 30 miles of zone boundary**:
My firm's average employment at the site(s) outside the enterprise zone boundary over the past 12 months is _____ jobs.
- ☐ Check here, if applicable, that your firm commits to increase the combined employment at the site(s) (outside but within 30 miles of zone boundary) and in the zone to 110% of the existing combined level by April 1 and on average during the first year of exemption.

Proposed investment in qualified property

Anticipated timing—Enter dates or months/years (non-binding)

Action	Site and building and structures			Machinery and equipment		
	Preparation	Construction*	Placed in service**	Procurement***	Installation	Placed in service**
To commence or begin on						
To be completed on						

* Including new reconstruction, additions to, or modifications of existing building(s) or structure(s).

** This is in the calendar year directly before the very first year of exemption, so on page 1, please indicate the year following as the very first year expected for claiming this exemption.

***May precede application by up to three months (includes personal property).

Special issues:

- ☐ Check here for building/structure acquired/leased for which construction, reconstruction, additions, or modifications began prior to this application (attach executed lease or closing documents, and don't take up occupancy until this application is approved).
- ☐ Check here if anticipating using **Construction in process** tax exemption for qualified property that is still being constructed/installed and isn't yet placed in service and is located on site as of January 1. If so, file *Application for Construction-in-Process Enterprise Zone Exemption*, 150-310-021, by April 1 with the county assessor's office.

Qualifying property: Estimates of cost and details about property are not binding, but in order for property to be exempted, its basic type and any major building/structure needs to be at least represented below.

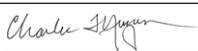
Type of property		Number of each/item	Estimated value	Check if any item will be leased
Real property	Building or structure to be newly constructed		\$	<input type="checkbox"/>
	New addition to or modification of an existing building or structure		\$	<input type="checkbox"/>
	Heavy or affixed machinery and equipment		\$	<input type="checkbox"/>
Personal property item(s) costing:	\$50,000 or more		\$	<input type="checkbox"/>
	\$1,000 or more (E-commerce zone or used exclusively for production of tangible goods)		\$	<input type="checkbox"/>
Total estimated value of investment			\$	

In addition, describe below (or in an attachment) the overall nature and potential extent of your investment, including preliminary building plans and lists of property items, as appropriate and recommended by zone manager or county assessor (may be kept confidential).

Declaration

I declare under penalties of false swearing [ORS 305.990(4)] that I have examined this document and attachments, and to the best of my knowledge, they are true, correct, and complete. If any information changes, I will notify the zone manager and the county assessor and submit appropriate written amendments. I understand that my business firm will receive the tax exemption for property in the enterprise zone, only if my firm satisfies statutory requirements (ORS Chapter 285C) and complies with all local, Oregon, and federal laws that are applicable to my business.

Must be signed by an owner, company executive, or authorized representative of the business firm

Signature 
X
Title (if not an owner or executive, attach letter attesting to appropriate contractual authority)

Date

Local enterprise zone manager and county assessor must approve this application (with *Enterprise Zone Authorization Approval*, Form 150-303-082)

Oregon Enterprise Zone Authorization Application Instructions

For more information

Visit www.oregon4biz.com. Search "Enterprise zones eligibility."

Applicant

This application form serves to authorize your business firm to receive a standard three-year exemption on qualified property that you will own or lease at the specified location in the enterprise zone or rural renewable energy development zone. The local zone manager and the county assessor's office authorize your firm (not the proposed property).

Another authorization application is necessary for qualified property at a different location in the same or another zone. See "Additional property and future projects" below.

Mandatory timing in being authorized:

- Complete and submit this form to the local zone manager before beginning physical project work (construction, installations, etc., including site preparation) or hiring new employees.
- Work may proceed after submission and before approval.
- No exemption is allowed on property for which work began prior to the **effective date** of the zone's designation or amendment to include site, or for any property already assessed in the county by that date.
- After submitting this application but before being authorized, you and the zone manager will hold a **pre-authorization conference**, at which the assessor's office might participate, to formally address special issues or contingencies for qualification.
- If seeking an **extended abatement** of four or five years in total, the written agreement with the zone sponsor may set additional reasonable requirements. In most zones, state law also requires for all of the business firm's employees, who are working in newly created jobs: (a) in the fourth and fifth year, their average wage (taxable income) is at least 100 percent of the most recently available county average wage, and (b) in all four or five years, their average compensation (including benefits) equals or exceeds 130 percent or 150 percent of the county average wage from the time of authorization.

First year claiming exemption from property taxes:

- The first year of exemption is the year following the year in which the qualified property is "placed in service" as anticipated on page 2, which means when the property is first used or occupied, or is physically ready for use or occupancy, for specifically intended commercial purposes.
- To claim the exemption, you must file with the county assessor after January 1, but on or before April 1, of that first year, using Form OR-EZ-EXCLM, *Oregon Enterprise Zone Exemption Claim*, 150-310-075, and attaching Form OR-EZ-PS, *Oregon Enterprise Zone Property Schedule*, 150-310-076 for the property to be exempted.
- Submit the exemption claim (without property schedule) after each year of exemption, in order to confirm ongoing compliance.

Keeping authorization active:

- This application needs to be renewed after two full years between January 1 and April 1, if your firm isn't ready to claim an exemption. Submit a letter with the zone manager and assessor stating your continuing interest and intent.
- Failure to submit such a statement every two years (while the zone exists) classifies your authorization as "inactive." A fee is then required in order to claim the exemption.
- County wage for the extended abatement's average employee compensation standard, see (b) above, resets with renewal or inactive claim.

Business eligibility

A key function of authorization is to ascertain and assure a business firm's eligibility for exemption.

- The program is primarily directed at for-profit organizations that provide goods or services to other business operations.
- **Ineligible operations** include: tourism, retail food service, entertainment, childcare, financial services, property management, housing or construction, retail sales of goods or services, health care, or professional services.
- An eligible **call center** may receive customer requests and orders by various means, but at least 90 percent must originate from areas that would entail a long-distance charge if performed by telephone.
- **E-commerce** investments receive special treatment in certain enterprise zones and in the city of North Plains.
- **Central facilities** for management, marketing, design, etc. For example, a "headquarters" facility is eligible if serving statewide or wider operations of a company. (Investment needs to conform to authorized description.)
- More than 60 percent of the enterprise zones have elected to make **hotels, motels, and destination resorts** eligible. The choice may differ among a zone's sponsoring city/county jurisdictions.

Employment in the enterprise zone

To be authorized, the eligible business firm must commit to satisfy job-creation requirements:

- The number of full-time jobs in the zone must rise and be maintained during the exemption at a minimum of 110 percent of the average level from the time of the authorization application.
- Failure to reach this level precludes the exemption.
- Failure to maintain this level represents "substantial curtailment," as would a big drop in total employment.
- Your firm must enter into a **first-source hiring agreement** before hiring new employees. The local zone manager will direct you to the contact with the local Oregon Employment Department office.
- Your firm and the zone sponsor are solely responsible for compliance/verification of local additional requirements.
- Also see "Special Issues Worksheet" on the last page.

Employment outside the enterprise zone

The business firm is disqualified if:

- The transfer of operations into the enterprise zone results in Oregon job losses more than 30 miles from the zone boundary.
- The movement of employees into zone from outside but within 30 miles results in less than a 10 percent increase of the combined employment level in the zone and from where they are transferred.

Proposed investment in qualified property

To assist eligible business firms in understanding the property tax benefit they may receive for investing in an enterprise zone, the authorization application asks for the best available information on the cost, extent, and timing of planned investments. It is critical for communication among the firm, the local zone manager, and the county assessor.

Pre-application activity at site:

In general, any work on new property or to prepare land must begin **only** after this application is submitted. Exceptions include, but are not limited to:

- A project started and abandoned at least six months earlier and still not assessed.
- Demolition, hazard removal, or environmental cleanup.
- Property acquired from another authorized business firm.
- Purchase or lease from a third party of a newly constructed or newly improved building or structure. In this case, work may already be underway or completed, but approval of this application must include a copy of the sale/lease agreement and must happen before use or occupancy of the building or structure.

Construction in Process: Property on-site as of January 1 may be exempt for up to two years before being placed in service. Once authorized, file the Form OR-AP-CIPEZ, *Application for Construction-in-Process Enterprise Zone Exemption*, 150-310-021, with the county assessor on or before each April 1, for any qualified property for which work is still underway on January 1. (Not available for centrally assessed/utility or hotel/resort property)

Property criteria:

- All property needs to be new, meaning it wasn't used or occupied in the zone more than one calendar year before exemption is claimed.
- Machinery and equipment also must be newly acquired or newly transferred from outside of the county (except for major retrofit or refurbishment of real property idle for 18 months).
- Any or all property may be leased from any party, provided that your firm (the lessee) is obligated to pay the property taxes.
- All real property—buildings, structures, and heavy/affixed machinery and equipment—listed on the exemption claim property schedule must **cost** \$50,000 or more in total.
- Personal property machinery and equipment is readily movable and qualifies subject to a **per-item cost** minimum. An integrated system consisting of various components may be treated as a single item for these purposes.

Applicable property tax returns must still be filed annually

Complete the following worksheets either before or during the pre-authorization consultation with the local zone manager

Employment worksheet

Use this worksheet to determine your business firm's annual average employment over the 12 months preceding the date on which you submit the authorization application, and as required during the period of the enterprise zone exemption:

1. Identify those employees or positions within the zone that are: (a) working a majority of their time in "eligible" activities or in support of those activities; (b) paid on average for more than 32 hours per week; (c) **not** employed solely to construct property; (d) **not** seasonal; and (e) **not** temporary—not hired, leased, or contracted for less than one year or on an as-needed/ad hoc basis. **Don't** use "full-time equivalents" (FTE).
2. Determine the number of the above employees at the end of each pay period, calendar month, or quarter over the prior 12 months.
3. Total the number of employees from each period and divide this sum by the number of periods. If not using **months**, include a suitable attachment in place of the following with your application:

_____ (1) + _____ (2) + _____ (3) + _____ (4) +
_____ (5) + _____ (6) + _____ (7) + _____ (8) +
_____ (9) + _____ (10) + _____ (11) + _____ (12) =
_____ ÷ 12 = _____ ***Average annual existing jobs**

4. If your average annual existing jobs* (from number 3, above) is:
 - a) Five or more, multiply by 1.1, as follows:
 $* \text{_____} \times 1.1 = \text{_____}, \text{ or}$
 - b) Less than five, add one, as follows:
 $* \text{_____} + 1 = \text{_____}.$
5. Round the total from 4a or 4b to the nearest whole number (for example, 25.49 becomes 25 and 25.50 becomes 26). Your rounded figure is the level of employment required by April 1 of the first year of exemption.

For purposes of compliance, repeat steps 1–3 and 5 above for each calendar year that qualified property is exempt.

Special issues worksheet

This worksheet is simply a checklist to guide you through certain issues that may need to be addressed as soon as possible. Check if the answer is "yes" or "maybe."

- ☐ Will the requisite increase of enterprise zone employment be difficult to achieve, even with the new investment? Or could it be somewhat unapparent? In any case, work out verification options with local zone manager. Copies of unemployment insurance reports or other records should be kept on file to assure manager and assessor.
- ☐ If the number of jobs will likely not grow by 10 percent, do you want a local waiver by resolution(s) adopted by zone sponsor with authorization, which may impose additional conditions? Waiver allowed if the overall investment costs \$25 million or more, or with a 10 percent rise in productivity combined with dedicated expenses for workforce training. In a rural renewable energy development zone, a waiver is allowed for \$5-million investments with no added conditions. (Waiver does not affect requirements related to any transfer of jobs into the zone.)
- ☐ Would you like your enterprise zone employment to be combined with the jobs at any 100 percent commonly owned firm/corporation(s)? If so, attach a statement with the name of the other company(s). Without such election, even subsidiaries of the same parent corporation in the zone are treated as distinct business firms.

- ☐ Are you interested in publicly owned and otherwise available real estate that might exist in the zone, and that an authorized business firm generally has a right to buy or lease if promptly developed for authorized use?
- ☐ Would you like to know about local incentives that some local sponsoring governments offer to authorized businesses as part of the enterprise zone package, such as fee waiver, regulatory expedition, and so forth?
- ☐ Will a qualified building be partially occupied by another business/tenant or used for ineligible operations? In such cases, work with the local zone manager to determine the units or proportion of space for the assessor to exempt.
- ☐ Is investment pending the site's inclusion in the zone? This application may be approved under such conditions, but make arrangements with the local zone manager to ensure that any construction or installation work doesn't begin until on or after the effective date of the boundary change. (Same applies to designation of a new enterprise zone.)
- ☐ Is the enterprise zone terminated? This normally precludes authorization or qualification, but an already authorized/qualified firm can "grandfather" and may be authorized up to 10 years after the termination of the zone.

Enterprise Zone
Pre-Authorization Consultation Summary

Worldwide Structures Property Company, LLC
July 1, 2020

The pre-authorization checklist was reviewed and is attached to this consultation summary. In attendance were Matthew Klebes and Carrie Pipinich Enterprise Zone Managers, Jill Amery Tax Assessor, and Chuck Nuzum, Doug Kirchofer, Kyle House, and Rick Novak from Worldwide Structures. Worldwide Structures is a foreign limited liability company registered in the State of Delaware.

Worldwide Structures intends to build a facility located at 3855 River Road, The Dalles, OR 97058; tax lot: 2N 13E 28 900. The initial facility will be approximately 35,000 square feet with possible expansions. It will use equipment to modify some building materials, assemble all components of a completed home and some commercial structures, and ship the building to site. There will be examples of products on site along with a sales office.

On June 12, 2020, Worldwide Structures Property Company LLC submitted a completed Oregon Enterprise Zone Authorization Application for an extended abatement of 5 years. The developer anticipates an investment of 4 million dollars and the estimated total number of new employees to be hired for the development is at least 50. This development may also utilize the Opportunity Zone.

Applicant is aware that with the development set for completion in early 2020 the first year of the abatement will be claimed in 2021 and continuing for the next 5 years if requirements are met. Applicant is also aware of the 130% annual *compensation* requirement and has affirmed that they will be able to meet this requirement. Applicant is also aware of the 100% annual *wage* requirement and affirmed that they will be able to meet this requirement.

For the Extended abatement, in years 4 and 5, the applicant is agreeable to the, "Tax Savings and Cash Contribution" table detailed in Resolution No. 17-026 and will submit a cash contribution accordingly. Applicant expressed interest in possibly amending the cash contribution agreement if a community in-kind partnership of comparable value can be established and agreed to by the City of The Dalles and Wasco County.

Authorization Approval will be signed pending the approval of an extended abatement agreement from the City of The Dalles City Council, Port of The Dalles Commission, and Wasco County Board of Commissioners.

Matthew B. Klebes, Enterprise Zone Manager



Optional Checklist

For use in reviewing Enterprise Zone Authorization Application or in conducting Preauthorization Conference.

Applicant

Is the site inside the current enterprise zone boundary?	Yes	No
Is the project located all on one site?	Yes	No
Application submitted after physical, on-site work began (including site preparation)?	Yes	No
Information about exemption period(s), extended abatement and previous exemption(s) is accurate and understood?	Yes	No
If business seeks extended abatement, is written agreement between business and sponsor still pending?	Yes	No
Commitment to renew authorization, as necessary?	Yes	

Business Eligibility

Business activities indicated in all relevant ways?	Yes	
Ineligible and eligible operations within common structure?	Yes	N/A
Special case appropriately checked, if applicable?	Yes	N/A

Employment in the Enterprise Zone

Employment

Annual average existing employment is computed zone-wide? Yes No

Expected hiring filled out and consistent with scale of proposed operations; dates make sense; number of new employees is 110% or more of existing level (but not less than one job)? Yes

Job figures relate to permanent, year-round employees working full-time (32+ hours per week) in eligible activities inside zone (**not full-time equivalents**)? Yes No

Commitments

Commitments fully checked and understood? Yes

Problematic or unlikely that employment in the zone will increase by 10% or more compared to the existing level with investment? Yes No

Applicant knows where and how to obtain first source hiring agreement, after authorization but before new hiring begins, and contact agency will be notified? Yes No

Employment Outside the Enterprise Zone

Beyond 30 miles of the enterprise zone boundary, the business or commonly controlled entity may reduce employment (of any sort) and transfer operations into the zone? Yes No

From an Oregon site outside the zone, but within 30 miles of its boundary, the business will transfer eligible employees into the zone? Yes No

Proposed Investment in Qualified Property

Likely timing is fully indicated for starting/finishing elements of project which appropriately follow the application's submission?	Yes	
Timeline recognized as only advisory—the exemption period depends on the year when property is actually placed in service, i.e., physically ready for specific commercial purpose?	Yes	
Special Issues		
Applicant informed about which form to file with county assessor no later than April 1 in order to exempt applicable property still in the process of construction/installation on January 1?	Yes	N/A
Parts of investment to be placed in service over two or three successive calendar years (see upper right on page 4 of form)?	Yes	N/A
Qualifying Property		
Application contains sufficient indication and description of each major improvement and any of the four basic property types (new building, structural additions/modification, real property M&E and personal property) that might be expected pursuant to authorization, including what could be placed in service over two or three years?	Yes	No
Specific project description required?	Yes	N/A
Estimates filled in and reasonably reflect at least hard investment costs for indicated property?	Yes	No
Understood that leased property qualifies, provided that lease agreement is for term of exemption; applicant effectively pays the property taxes, and owner/lessor will sign declaration at the end of property schedule with exemption claim?	Yes	N/A
Property pre-dates zone designation/amendment, or it will have been in use or occupancy in the zone for more than a year before first exemption year?	Yes	No

Need to isolate and apportion part of building that will comprise qualified property?	Yes	N/A
---	-----	-----

Declaration

Application is duly endorsed and dated on or before its receipt?	Yes	
--	-----	--

Special Issues and Future Steps

Crucial to authorize firm before certain point	Yes	N/A
--	-----	-----

Applicant and one or more affiliated companies will be grouped together as a single eligible business, e.g., for purposes of combining zone employment, or of a leaseback in which parent-owner is paying taxes?	Yes	N/A
--	-----	-----

Business must hold off beginning actual construction or installation of qualified property until boundary change takes effect that would add site to enterprise zone.	Yes	N/A
---	-----	-----

The authorized business acknowledges receipt of information about how it must formally file to claim the exemption with the county assessor?	Yes	
--	-----	--

Applicant knows that to mitigate penalty for noncompliance, such as a big employment drop, assessor and zone sponsor must receive notice at the latest by July 1 after the year when failure occurs (owner of leased qualified property also may provide such notice)?

Yes
Page 18 of 47

WASCO COUNTY JOINT ENTERPRISE ZONE

EXTENDED ABATEMENT AGREEMENT

With
WORLDWIDE STRUCTURES PROPERTY COMPANY, LLC

WRITTEN AGREEMENT WITH THE SPONSORS OF THE WASCO COUNTY JOINT ENTERPRISE ZONE AND WORLDWIDE STRUCTURES PROPERTY COMPANY, LLC TO EXTEND PROPERTY TAX EXEMPTION TO FIVE (5) CONSECUTIVE YEARS IN TOTAL FOR CAPITAL INVESTMENT AND JOB CREATION.

The sponsors of the Wasco County Joint Enterprise Zone comprised of the governing bodies of the City of The Dalles, Port of The Dalles, and Wasco County, Oregon, hereinafter the “Zone Sponsors”, and Worldwide Structures Property Company, LLC hereinafter the “Firm” do hereby enter into the Worldwide Structures Property Company, LLC, Extended Abatement Agreement, hereinafter the “Agreement”; which Agreement extends the period of time in which the Firm shall receive an exemption on its proposed investments in qualified property in Wasco County Joint Enterprise Zone contingent on certain special requirements, under ORS 285C.160.

The Zone Sponsors and Firm jointly acknowledge that, subject to the approval of the application for authorization submitted on June 12, 2020, and the satisfaction of other requirements under ORS 285C.050 to 285C.250, the Firm is eligible for three years of complete exemption on its qualified property; that nothing in this Agreement shall modify or infringe on this three-year exemption or the requirements thereof; and that this Agreement becomes null and void if the Firm does not qualify for the three years of the exemption.

The Zone Sponsors extend the Firm’s property tax exemption an additional two (2) years on all property that initially qualifies in the Wasco County Joint Enterprise Zone in the assessment year beginning immediately after the third year of the standard abatement, and thereby sets a total period of exemption of five (5) consecutive years during which statutory requirements for the standard three-year enterprise zone exemption must also be satisfied and maintained.

CONFIRMATION OF STATUTORY PROVISIONS

In order to receive the additional two (2) years of enterprise zone exemption granted herein, the Firm agrees herewith under 285C. 160(3)(a)(A) that for each year of the entire five-year exemption period, all of the Firm’s new employees shall receive an average level of compensation equal to or greater than 130 percent of the county average annual wage, in accordance with the specific definitions and guidelines in Oregon Administrative Rules (OAR) Chapter 123, Division 674 (123-674-0600), which provides that:

1. Such compensation may include non-mandatory benefits that can be monetized; and
2. The county average annual wage is set at the time of authorization, except as pursuant to ORS 285C.160(4), according to the Employment and Wages by Industry (QCEW), Oregon Employment Department, 2018 average annual wage by County; the average wage for Wasco County is \$40,678.00, of which 130 percent equals \$52,881.00; and
3. Only employees working at jobs filled for the first time after the application for authorization but by December 31st of the first full year of the initial exemption and performed within the current boundaries of the Wasco County Joint Enterprise Zone are counted; and
4. Only full time, year-round and non-temporary employees engaged a majority of their time in the Firm's eligible operations consistent with ORS 285C.135 & 285C.200(3) are counted, regardless if such employees are leased, contracted for or otherwise obtained through an external agency or are employed directly by the Firm.

Furthermore, in order to receive the additional two (2) years of enterprise zone exemption granted herein, the Firm agrees that all of the Firm's new employees shall receive an average annual wage that is 100% or higher than the County average annual wage in the fourth and fifth years of the abatement.

LOCAL ADDITIONAL REQUIREMENTS

For the Firm to receive the additional two (2) years of enterprise zone exemption granted herein, the Zone Sponsors and the Firm agree that the Firm shall do the following, in addition to statutory requirements, as reasonably requested by the Zone Sponsors under ORS 285C.160(3)(a)(B);

In the fourth and fifth calendar years of the extended abatement period and prior to December 31st of those fourth and fifth years, a qualifying firm shall contribute to the Zone Sponsors a cash contribution calculated from the table below, which shall be split equally between the Zone Sponsors. The cash contributions will be used by the Zone Sponsors to support public infrastructure, economic development, and/or public services.

	Year 4 of Abatement	Year 5 of Abatement
Cash Contribution Owed	50% of tax savings	75% of tax savings

The Zone Sponsors agree to review proposals put forth by the Firm that would provide, “sweat equity” services, products, or other proposals that would provide equivalent value as the cash contribution the Firm would normally pay. The Firm agrees to put forth any such proposal six (6) months before the end of the third exemption year.

The Zone Sponsors reserve the right to reject any such proposals and any such rejection does not exempt the Firm from the cash contribution requirement per the table above as agreed upon.

ACCEPTING FOR THE SPONSORS

City of The Dalles
Richard Mays, Mayor

Signature Dated, _____, 2020

Wasco County Commission
Scott Hege, Commission Chair

Signature Dated, _____, 2020

Port of The Dalles Commission
Greg Weast, Commission Chair

Signature Dated, _____, 2020

ACCEPTING FOR WORLDWIDE STRUCTURES PROPERTY COMPANY, LLC

_____, _____
(Name) (Position)

Signature Dated, _____, 2020

RESOLUTION NO. 20-018

**A RESOLUTION APPROVING AN ENTERPRISE ZONE TAX ABATEMENT
AGREEMENT BETWEEN THE SPONSORS OF
THE WASCO COUNTY JOINT ENTERPRISE ZONE AND WORLDWIDE
STRUCTURES PROPERTY COMPANY, LLC.**

WHEREAS, The Oregon Legislative Assembly has adopted provisions of ORS 285C.050.to 285C.250 to provide tax incentives to certified business firms that invest in a qualifying facility located within a non-urban enterprise zone in a county with chronically low income or chronic unemployment; and

WHEREAS, the City of The Dalles, Port of The Dalles, and Wasco County jointly sponsor a non-urban enterprise zone known as The Wasco County Joint Enterprise Zone; and

WHEREAS, Worldwide Structures Property Company LLC proposes to make investments to construct an assembly and fabrication facility located on real property inside The Wasco County Joint Enterprise Zone, which will increase full-time, permanent employment of the firm inside the Enterprise Zone by the greater of one new job or 10%, provide employment compensation on average at a rate of at least 1.3 times that of the County average annual wage by the first year of the abatement, and provide an annual average wage that is 100% or greater of the county average annual wage in the fourth and fifth year of the abatement; and

WHEREAS, to facilitate the investment in such a facility by Worldwide Structures Property Company LLC within The Wasco County Joint Enterprise Zone, it is necessary for a written agreement between Worldwide Structures Property Company LLC and the City of The Dalles, Port of The Dalles and Wasco County to be executed.

WHEREAS, The City Council has reviewed the terms of the proposed Enterprise Zone Tax Abatement Agreement between the City of The Dalles, Port of The Dalles, Wasco County, and Worldwide Structures Property Company LLC, and the City Council finds that approval of the Agreement is in the best interests of the citizens of The Dalles; and

WHEREAS, Resolution No. 12-005 established a general policy for any future “extended abatement” agreements with similar businesses that meet the qualifications for the tax exemption of the fourth and fifth years:

“In the fourth and fifth calendar years of the extended abatement period and prior to December 31 of those fourth and fifth years, a qualifying firm shall contribute to the Zone Sponsors a cash contribution calculated from the table below, which shall be split equally between the Zone Sponsors. The cash contributions will be used by the Zone Sponsors to support public infrastructure, economic development, and/or public services.”

	Year 4 of Abatement	Year 5 of Abatement
Cash Contribution Owed	50% of tax savings	75% of tax savings

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

Section 1. Agreement Approved. The City Council hereby approves the Enterprise Zone Tax Abatement Agreement between the City of The Dalles, Port of The Dalles, Wasco County, and Worldwide Structures Property Company, LLC. The Mayor is authorized to execute the agreement on behalf of the City.

Section 2. Effective Date. This Resolution shall be considered effective as of July 27, 2020.

PASSED AND ADOPTED THIS 27th DAY OF JULY, 2020

Voting Yes, Councilors: _____

Voting No, Councilors: _____

Absent, Councilors: _____

Abstaining, Councilors: _____

AND APPROVED BY THE MAYOR THIS 27th DAY OF JULY, 2020

SIGNED:

ATTEST:

Richard A. Mays, Mayor

Izetta Grossman, CMC, City Clerk



AGENDA STAFF REPORT

AGENDA LOCATION: Action Item #10B

MEETING DATE: July 27, 2020

TO: Honorable Mayor and City Council

FROM: Steven Harris, AICP
Community Development Director

ISSUE: Resolution No. 20-019 Supporting the Fair Housing Amendments Act of 1988 and Implementation of a Fair Housing Program

BACKGROUND: As a requirement of receiving federal funds for the Community Development Block Grant (CDBG) home repair program, the City Council is requested to adopt the attached resolution in support of the Fair Housing Amendments Act of 1988 and implementation of a Fair Housing Program.

For the purposes of receiving the federal funds, the Fair Housing Program will include at a minimum, but not be limited to: 1) the printing, publicizing and distribution of this Resolution; 2) the distribution of posters, flyers, pamphlets and other applicable Fair Housing information provided by local, state and federal sources, through local media of community contacts; and 3) the publicizing of locations where assistance will be provided to those seeking to file a discrimination complaint.

BUDGET IMPLICATIONS: None.

COUNCIL ALTERNATIVES:

1. **Staff recommendation:** *Move to adopt Resolution No. 20-019 A Resolution Supporting the Fair Housing Amendments Act of 1988 and Implementation of a Fair Housing Program*
2. Decline to adopt the resolution.

RESOLUTION NO. 20-019

A RESOLUTION SUPPORTING THE FAIR HOUSING AMENDMENTS ACT OF 1988 AND IMPLEMENTATION OF A FAIR HOUSING PROGRAM

WHEREAS, the City of The Dalles has received an Oregon Community Development Block Grant for the purposes of funding a home repair program; and

WHEREAS, the City of The Dalles has certified in its grant contract with the state that it will comply with the requirements of Title VIII of the Civil Rights Act of 1968, as amended, popularly known as the Fair Housing Act, and will take action to affirmatively further fair housing; and

WHEREAS, let it be known to all persons of the City of The Dalles that discrimination in the sale, rental, lease, advertising of sale, rental or lease, financing of housing or land to be used for construction of housing, or in the provision of brokerage or rental services because of race, color, religion, sex, disability (physical or mental), familial status (children) or national origin is prohibited by Title VIII of the federal Fair Housing Amendments Act of 1988. It is the policy of the City of The Dalles to support the Fair Housing Amendments Act of 1988 and to implement a Fair Housing Program to ensure equal opportunity in housing for all persons regardless of race, color, religion, sex, disability (physical and mental), familial status (1. children, and 2. actual or perceived sexual orientation, gender identity or marital status or its members), or national origin.

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

Section 1: That within the resources available to the City through city, county, state, federal and community volunteer sources, the City/County will assist all persons who feel they have been discriminated against because of race, color, religion, sex, disability (physical and mental), familial status (children) or national origin in the process of filing a complaint with the Oregon Civil Rights Division or the U.S. Department of Housing and Urban Development, Seattle Regional Office Compliance Division, that they may seek equity under federal and state laws.

Section 2: The City shall publicize this Resolution and through this publicity shall cause real estate brokers and sellers, private home sellers, rental owners, rental property managers, real estate and rental advertisers, lenders, builders, developers, home buyers and home or apartment renters to become aware of their respective responsibilities and rights under the Fair Housing Amendments Act of 1988 and any applicable state or local laws or ordinances.

Section 3: The Fair Housing Program, for the purpose of informing those affected of their respective responsibilities and rights concerning Fair Housing law and complaint procedures, will at a minimum include, but not be limited to: 1) the printing, publicizing and distribution of this Resolution; 2) the distribution of posters, flyers, pamphlets and

other applicable Fair Housing information provided by local, state and federal sources, through local media of community contacts; and 3) the publicizing of locations where assistance will be provided to those seeking to file a discrimination complaint.

Section 4: This Resolution shall be effective following its adoption by the City Council.

PASSED AND ADOPTED THIS 27th DAY OF JULY, 2020

Voting Yes, Councilors: _____

Voting No, Councilors: _____

Absent, Councilors: _____

Abstaining, Councilors: _____

AND APPROVED BY THE MAYOR THIS 27th DAY OF JULY, 2020.

SIGNED:

ATTEST:

Richard A. Mays, Mayor

Izetta Grossman, CMC, City Clerk



AGENDA STAFF REPORT

AGENDA LOCATION: Discussion Item #11A

MEETING DATE: July 27, 2020

TO: Honorable Mayor and City Council

FROM: Steven Harris, AICP
Community Development Director

ISSUE: Federal Street Public Plaza Concept Design

BACKGROUND: A downtown social gathering place was identified as a high priority during last year's downtown visioning exercise. The Federal Street location (between East Second Street and the alleyway between East Second and First Streets) was identified as a potential location for a public plaza due to its central location and limited impact to downtown traffic circulation and on-street parking. Public design workshops were held this past February to solicit public comments on potential design elements and programing needs for a public plaza.

Since the public workshops the consultant team and City staff have been working together to produce the preliminary concept design illustrated in the attached exhibits. The consultant has also produced a preliminary estimate of construction costs. Included with the attachments is a July 13th memorandum from the consultants presenting alternatives to the concrete paving stones included in the preliminary design. Since a major cost component of the design is attributed to the selected surface material, staff requested an analysis of acceptable lower cost alternatives.

The original paving material selected is a concrete paver stone priced at a direct cost of \$15 sq. ft., which for an area of 9,797 sq. ft. totals approximately \$146,995. Three suggested alternative paving materials (standard asphalt, porous asphalt or concrete) range in price from \$3.75 to \$12.50 sq. ft (total direct cost from \$36,739 to \$122,463).

The Public Works Department has reviewed the alternative surface materials (see memorandum from City Engineer Dale McCabe) and is of the opinion that a stamped/colored concrete material (Alternative #3) would be the preferred option when

aesthetics and long-term maintenance costs are considered. Staff and the consultant team will continue to apply a value engineering approach to the various design elements, materials and site amenities which minimize construction and long-term maintenance costs as the design process progresses.

The exhibits are provided for Council's discussion.

BUDGET IMPLICATIONS: \$250,000 for the design and construction of the plaza was approved with the FY20-21 budgets for the City (\$100,000) and URA (\$150,000). Upon approval of a final design for the plaza, a detailed cost estimate will be prepared and returned to the City Council and Agency seeking authorization to proceed with the bid/construction process and any necessary budget augmentation.

RE: The Dalles - Federal Street Plaza

Good morning Steve. In looking at the three alternatives for the paving surfaces for the Federal Street Plaza area, Public Works feels that probably the best alternative would be the use of stamped/colored concrete pattern.

- The brick pavers are very nice looking and could obviously do the job and make for a very aesthetically pleasing look but the expense of the brick pavers compared to the other surface treatments is hard to justify. Also, the drawbacks of the pavers is that they do have the ability to settle or be raised and create uneven surfaces over time, weeds can become a maintenance issue and removing and replacing the pavers to gain access to any underground utilities is very expensive.
- The asphalt paving surface, while being the least expensive option, is probably the least preferred option. A black asphalt surface is not very inviting for pedestrians and gathering areas and it does become very hot on those hotter days that we can experience here in the gorge. Because of the exposure to the sun, the black asphalt surface will fade and crack overtime, therefore necessitating the need for a crack sealing project which will result in a not so attractive end product that would not be aesthetically pleasing for a plaza area. If asphalt paving was the chosen option, we would probably prefer the porous paving option over the traditional standard paving option. However, with that being said, porous pavement has been known to clog with fine silts over time and as the pavement ages/oxidizes and develops cracks, it too will need to be crack sealed and treated with a slurry seal treatment which then ultimately results in a non-porous asphalt surface.
- The great thing about the use of concrete, is that concrete can have different color pigments added to create a colored concrete pattern that will last indefinitely unlike applying a painted surface. It can also have a desired pattern stamped into the surface and/or a specific textured treatment applied. Each of those treatment possibilities can result in the desired look for the plaza area for a potentially lower cost project than what was possibly trying to be achieved with the brick pavers. If the concrete option is chosen, care should be taken to avoid cracking during the construction phase and making sure that it is getting the proper curing. The construction contract specs should address proper curing and crack repair and what will be allowed as far as cracking, if any, because as we all know and have experienced, concrete does crack.

I hope you find this information helpful. Please let me know if you have any questions or if you would like to discuss in further detail.

Dale S. McCabe
City Engineer
1215 W 1st Street
The Dalles, OR 97058
(541)506-2021
dmccabe@ci.the-dalles.or.us

Memorandum

To: Steve Harris, AICP - Director

From: Colin McArthur, AICP

Date: July 13, 2020

Subject: Federal Street Plaza
DRAFT Alternative Paving Materials

OVERVIEW

This memorandum provides a summary of various alternative paving options and associated unit costs that can be considered for the Federal Street Plaza project. Cameron McCarthy prepared a concept plan for the project as well as a preliminary cost estimate for anticipated project construction costs.

The concept plan and cost estimate assume concrete unit pavers as the primary plaza surface (see Figure 1). The cost for concrete unit pavers is estimated at \$15 per square foot and the surface area is 9,797 square feet which equates to \$146,955 in anticipated direct costs for this particular surface. The estimated cost does not include indirect construction costs and owner soft costs, which are included in the overall project estimate.

Figure 1. Concrete Unit Paver (City Stone)



Source: Willamette Greystone

The following section provides alternatives to concrete unit pavers.

Alternative 1

Standard Asphalt

- Description:
 - 4" asphalt over crushed rock.
- Estimated cost (including labor): **\$3.75/SF**
- Advantages:
 - Can be easily stripped and replaced.
- Disadvantages:
 - Impervious surface; would trigger stormwater treatment compliance.
 - Using existing crushed rock deletes placement of geotextile fabric (typically installed over compacted subgrade). May compromise how asphalt holds up. Some cracking may occur.
 - Adds to heat island effect.
 - No immediate re-use but can be recycled with local quarry.



*Porous asphalt on right hand side;
standard asphalt on left hand side*

Alternative 2

Porous Asphalt

- Description:
 - 4" porous asphalt over 2" washed stone (1"-#4) over crushed rock.
- Estimated cost (including labor): **\$5.25/SF**
- Advantages:
 - Pervious load bearing surface
 - Pervious surface; does not trigger stormwater compliance.
 - Can be striped.
- Disadvantages:
 - Existing crushed rock is assumed for re-use however some quality may be compromised since this is an existing material. Some cracking may occur.
 - Must be maintained to avoid having voids fill in
 - Adds to heat island effect.
 - No immediate re-use but can be recycled with local quarry.



Porous asphalt



Porous asphalt on right; standard on left side

Alternative 3

Concrete

- Description:
 - 4-6" concrete over crushed rock.
- Estimated cost (including labor): **\$8.50-12.50/SF**
- Advantages:
 - Durable.
 - Can be colored, textured, or stamped in various patterns.
- Disadvantages:
 - Adds to heat island effect.
 - No immediate re-use but can be recycled with local quarry.



Textured concrete



Textured concrete



Stamped concrete



Stamped concrete

LEGEND

PROPERTY LINE

SITE

KEYNOTES

- 1 SPLASH PAD
- 2 PROPOSED PLANTER
- 3 SEATING
- 4 PROPOSED TREE
- 5 WASCO COUNTY VETERANS SERVICE OFFICE
- 6 RAMP

EXG = EXISTING

LEGEND

PROPERTY LINE

SITE

KEYNOTES

- 1 SPLASH PAD
- 2 PROPOSED PLANTER
- 3 SEATING
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- 6 RAMP

EXG = EXISTING

LEGEND

PROPERTY LINE

SITE

KEYNOTES

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EXG = EXISTING

LEGEND

PROPERTY LINE

SITE

KEYNOTES

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EXG = EXISTING

- LEGEND**

PROPERTY LINE

SITE

KEYNOTES

 - 1 SPLASH PAD
 - 2 PROPOSED PLANTER
 - 3 SEATING
 - 4 PROPOSED TREE
 - 5 WASCO COUNTY VETERANS SERVICE OFFICE
 - 6 RAMP

EXG = EXISTING

LEGEND

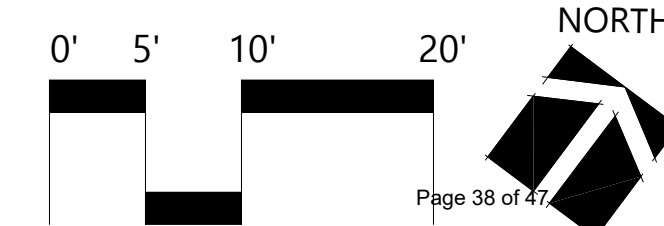
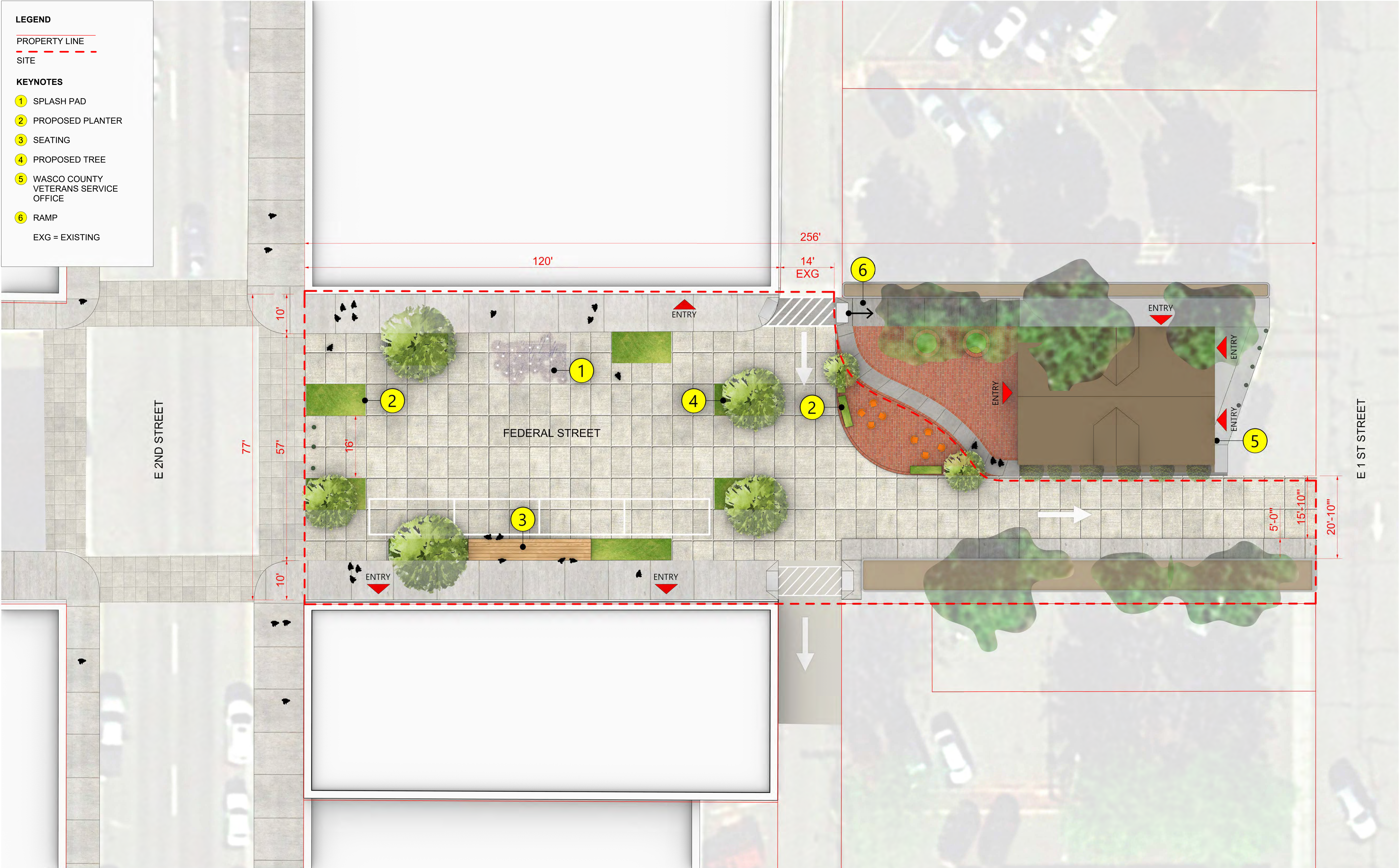
PROPERTY LINE

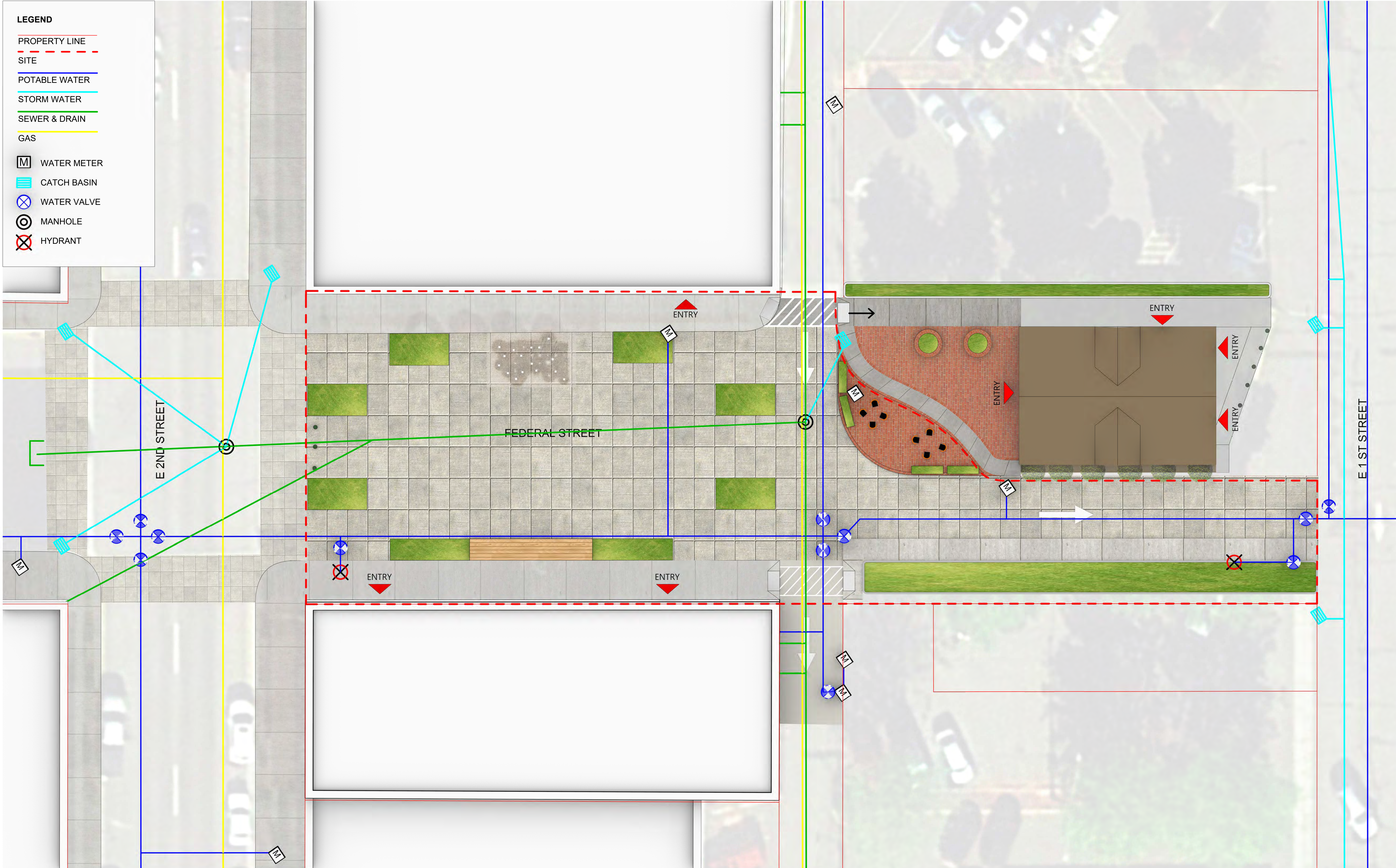
SITE

KEYNOTES

- 1 SPLASH PAD
- 2 PROPOSED PLANTER
- 3 SEATING
- 4 PROPOSED TREE
- 5 WASCO COUNTY VETERANS SERVICE OFFICE
- 6 RAMP

EXG = EXISTING

















**FEDERAL STREET PLAZA
THE DALLES**

PLANNING LEVEL
PRELIMINARY COST ESTIMATE
CONCEPT PLAN

April 30, 2020

ITEM	QTY	UNIT	UNIT COST	TOTAL COST	NOTES
DIRECT CONSTRUCTION COSTS					
Demolition	15020	SF	\$ 0.50	\$ 7,510	
Site Paving Improvements	11352	SF	\$ 16.85	\$ 191,324	
Site Furnishings	1	LS	\$ 35,516.00	\$ 35,516	
Landscape Improvements	937	SF	\$ 24.72	\$ 23,162	
Utilities	1	LS	\$ 57,500.00	\$ 57,500	
Estimated Direct Construction Cost (DCC)				\$ 315,011	
INDIRECT CONSTRUCTION COSTS					
General Requirements	@	10%	\$ 31,501		
Bonds & Insurance	@	2%	\$ 6,300		
Contractor Overhead & Profit	@	6%	\$ 18,901		
Estimated Indirect Construction Cost (ICC)				\$ 56,702	
TOTAL ESTIMATED BID COST (DCC + ICC)				\$ 371,713	
OWNER SOFT COSTS					
Design Fees	@	7%	\$ 26,020		1
Design Contingency	@	10%	\$ 31,501		2
Permits & Administration	@	5%	\$ 15,751		3
Estimated Owner Soft Cost (OSC)				\$ 73,272	
TOTAL ESTIMATED PROJECT COST (DCC + ICC + OSC)				\$ 444,985	4

NOTES:

1. Includes anticipate A/E fees.
2. Contingency set at current level due to preliminary design information.
3. Includes construction permits and project management.
4. Assumes public bidding and prevailing wage. Estimate in 2020 dollars.

**FEDERAL STREET PLAZA
THE DALLES**

PLANNING LEVEL
PRELIMINARY COST ESTIMATE - DETAILED BREAKDOWN
CONCEPT PLAN

April 30, 2020

ITEM	QTY	UNIT	UNIT COST	TOTAL COST	SUBTOTAL	TOTAL	NOTES
DIRECT CONSTRUCTION COSTS							
DEMOLITION							
Hardscape Removal	15020	SF	\$ 0.50	\$ 7,510		\$ 7,510	
SITE PAVING IMPROVEMENTS							
Base Course							
Excavation & Removal (12")	556	CY	\$ 12.00	\$ 6,676			
Crushed Rock (8")	539	TN	\$ 18.00	\$ 9,697			
					\$ 16,373		
Concrete Curbs							
Concrete Walks	1010	SF	\$ 6.50	\$ 6,565			
Formed Curbs	109	LF	\$ 19.00	\$ 2,071			
					\$ 8,636		
ADA Ramps							
Curb Ramps	4	EA	\$ 3,750.00	\$ 15,000			
					\$ 15,000		
Unit Paving							
Concrete Pavers	9797	SF	\$ 15.00	\$ 146,955			
					\$ 146,955		
Brick Paving							
Brick Pavers	545	SF	\$ 8.00	\$ 4,360			
					\$ 4,360		
						\$ 191,324	
SITE FURNISHINGS							
Terraced Seating	383	SF	\$ 52.00	\$ 19,916			Concrete base with wood planks
Raised Planters	2	EA	\$ 1,230.00	\$ 2,460			Landscapeforms ASP-21
Bike Racks	6	EA	\$ 310.00	\$ 1,860			Landscapeforms Bola Bike Rack
Benches	4	EA	\$ 1,580.00	\$ 6,320			Landscapeforms Abril Bench
Bollards	4	EA	\$ 1,240.00	\$ 4,960			Landscapeforms Guide Bollard
Litter & Recycling Station	2	EA	\$ 510.00	\$ 1,020			Landscapeforms Sort Recycling Litter
					\$ 35,516		
						\$ 35,516	
LANDSCAPE IMPROVEMENTS							
Lawn							
Excavation & Removal (18")	52	CY	\$ 12.00	\$ 625			
Topsoil (18")	52	CY	\$ 28.00	\$ 1,458			
Site Fine Subgrading	937	SF	\$ 0.25	\$ 234			
Soil Preparation & Finish Grading	937	SF	\$ 0.50	\$ 469			
Lawn Seeding & Establishment	937	SF	\$ 0.25	\$ 234			
					\$ 3,019		
Plantings							
Trees	7	EA	\$ 400.00	\$ 2,800			
					\$ 2,800		
Irrigation							
Controller	1	SF	\$ 15,000.00	\$ 15,000			
Irrigation @ Lawns	937	SF	\$ 2.50	\$ 2,343			
					\$ 17,343		
						\$ 23,162	
UTILITIES							
Splash Play Equipment	1	AL	\$ 50,000.00	\$ 50,000			Water Odyssey
Water Service, Backflow, and Vault	1	AL	\$ 7,500.00	\$ 7,500			
					\$ 57,500		
						\$ 57,500	
ESTIMATED DIRECT CONSTRUCTION COST					\$ 315,011		