

AGENDA

REGULAR CITY COUNCIL MEETING

November 26, 2018

5:30 p.m.

CITY HALL COUNCIL CHAMBER

313 COURT STREET

THE DALLES, OREGON

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

A. Proclamation – November 6, 2018 Election Results

B. Northern Wasco County Parks & Recreation Capital and Facilities Master Plan

6. AUDIENCE PARTICIPATION

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

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

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

CITY OF THE DALLES

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

- A. Approval of October 22, 2018 Regular City Council Meeting Minutes
- B. Adoption of Resolution No. 18-028 A Resolution Updating the Employee Recognition Program

11. PUBLIC HEARINGS

- A. Receive Testimony Regarding Amendments to The Dalles Municipal Code, Title 10, Land Use Development

- 1. Adopt General Ordinance No. 18-1370 Adding A New Section 10.3.020.090, AND Amending Sections 10.3.040.050, 10.5.010.060, 10.5.020.060, 10.5.020.080, 10.5.030.060, 10.5.030.080, 10.5.040.050, 10.10.6.010.070, 10.10.7.060, 10.5.010.020, 10.5.030.020, 10.5.040.020, 10.5.050.020, 10.5.060.020, 10.3.040.050, AND 10.6.030.030 of The Dalles Municipal Code, Title 10 – Land Use and Development

12. CONTRACT REVIEW BOARD ACTIONS

- A. Award Contract No. 18-007 Cliff Street Sewer Project, for Construction of a Gravity Sewer Main

13. ACTION ITEMS

- A. Columbia Gorge Community College Funding Request

14. ADJOURNMENT

This meeting conducted in a handicap accessible room.

Prepared by/
Izetta Grossman
City Clerk



AGENDA STAFF REPORT

AGENDA LOCATION: Item #10 A-B

MEETING DATE: November 26, 2018

TO: Honorable Mayor and City Council

FROM: Izetta Grossman, City Clerk

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

- A. **ITEM:** Approval of the October 22, 2018 Regular City Council Meeting Minutes.

BUDGET IMPLICATIONS: None.

SYNOPSIS: The minutes of the October 22, 2018 Regular City Council meeting have been prepared and are submitted for review and approval.

RECOMMENDATION: That City Council review and approve the minutes of the October 22, 2018 Regular City Council meeting minutes.

- B. **ITEM:** Employee Recognition Program

BUDGET IMPLICATIONS: \$4,000 annually

SYNOPSIS: The Human Resources Director met with employees about the Employee Recognition Program and got their thoughts on how to make it better. The revised policy is intended to provide a more meaningful recognition of employee efforts and commitment to the City. It also allows flexibility in the awards to allow the employee receiving it to receive something they value.

RECOMMENDATION: Approve Resolution 18-028, A Resolution Updating the Employee Recognition Program.

MINUTES
REGULAR CITY COUNCIL MEETING
OF
October 22, 2018
5:30 p.m.

THE DALLES CITY HALL
313 COURT STREET
THE DALLES, OREGON

PRESIDING: Mayor Stephen Lawrence

COUNCIL PRESENT: Russ Brown, Darcy Long-Curtiss, Taner Elliott, Tim McGlothlin

COUNCIL ABSENT: Linda Miller

STAFF PRESENT: City Manager Julie Krueger, City Attorney Gene Parker, City Clerk Izetta Grossman, Planning Director Steve Harris, City Engineer Dale McCabe, Police Chief Patrick Ashmore, Human Resources Director Daniel Hunter, Assistant to the City Manager Matthew Klebes

Number of people present: 29

CALL TO ORDER

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

ROLL CALL

Roll call was conducted by City Clerk Grossman, Councilor Miller absent.

PLEDGE OF ALLEGIANCE

Mayor Lawrence invited the audience to join in the Pledge of Allegiance.

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APPROVAL OF AGENDA

It was moved by Elliott and seconded by Long-Curtiss to approve the agenda as presented. The motion carried, Miller absent.

PRESENTATIONS/PROCLAMATIONS

The Dalles Area Chamber of Commerce Quarterly Update

Chamber President Lisa Farquharson introduced the new Tourism Director, Dave Nevins.

Farquharson and Nevins reviewed the quarterly update.

Farquharson explained the coloring page and crayons she handed out were to introduce the Oregon Magic Mural Coloring Contest. She said a ribbon cutting and celebration would take place Saturday from 10 to 11:30 am. She said Travel Oregon chose only two of the seven murals for this community celebration. In response to a question she said Travel Oregon would maintain the mural for one year and then it was the responsibility of the property owner.

Blue Zones Project Update

Letti Valle introduced Project Manager Taylor Smith and the newest team member, Amy Krol. Valle and Smith reviewed the PowerPoint updating the Council on the Blue Zones projects.

Victor Johnson spoke on his experience working on Blue Zone committees and projects. He thanked everyone who worked on Blue Zone projects. He said Blue Zones inspires people to get involved and address issues. He said there was real engagement with the Latino community, which was culturally difficult.

Johnson said he had a great time working with people to make The Dalles a more functional place, happier and healthier. He said the investment was making a difference. He said he hoped the Council could see the value of sponsoring Blue Zones.

Councilor Long-Curtiss said it was nice to see so many new people involved.

AUDIENCE PARTICIPATION

Eric Gleason, 704 K Street, read a letter into the record (see attached) which had been signed by a number of citizens asking Council to reconsider the decision to demolish the Gitchell Building.

Shelia Dooley, Mosier, read a statement into the record (attached) asking Council to reconsider

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the decision to demolish the Gitchell Building.

Chip Wood, 415 West 15th Street said he never questioned the integrity of Councilor Brown or McGlothlin until recently. He said he questioned the change of decision to make improvements on Thompson Street, saving Councilor Elliott money on his development.

Wood said he disagreed with the attempt to censor Councilor Long-Curtiss. He said the recent hiring of Councilor McGlothlin's daughter in the legal department appeared to be more "good ole boys".

City Attorney Gene Parker stopped the comments and said these were personal attacks on the Council.

Mayor Lawrence said Mr. Woods voiced these concerns before. He said Mr. Woods's time was up.

Dan Spatz, Columbia Gorge Community College thanked the Mayor, City Council and City Manager. Spatz gave an update on the Skill Center Project (see attached).

Mark Linebarger, 324 East 14th said he was concerned about the decision for demolition of the Gitchell Building. He said his customers ask about the history of the building. He asked Council to please call him, to explain the decision. He said it was important to downtown history.

Councilor Long-Curtiss said she voted against demolition.

Councilor McGlothlin said he was not at the meeting, but he would have voted against demolition.

Karl Vercooterren, 1624 Montana said he was on the Board of the First Court House committee. He said tour boat passengers very interested in the history of The Dalles. He encouraged City Council to reconsider the decision to demolish the Gitchell Building.

Carolyn Wood, 1709 Liberty Way, reminded the Council that past Council's had put money into the Gitchell building to keep it from further deterioration. She said St. Peter's Landmark should serve as an example of how a citizen group saved a significant landmark from demolition.

CITY MANAGER REPORT

City Manager Julie Krueger handed out an update on the Dog River Pipeline Replacement Project (see attached).

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Krueger reported that during a meeting with the State Building codes, the City, Wasco County, Gilliam, Sherman and Moro Counties it was determined that the City could only take on its building codes program. She said the counties are the ones who “own” the program.

She said Northern Wasco County Parks & Recreation District would be coming before Council in November to update the Council on the District’s Master Plan.

Krueger said AmeriTies would be giving an update during the December Council meeting.

She said the Citizen’s Academy was set to launch in January.

CITY ATTORNEY REPORT

City Attorney Parker said he had a meeting next week regarding the LUBA appeal on East 19th. He said he would inquire about the status of the LUBA appeal on 13th and Perkins at that meeting.

Parker said Megan Lutz had been hired at a paralegal.

CITY COUNCIL REPORTS

Councilor Long-Curtiss reported on attending:

- Lone Pine in-lieu site – handed out blankets. Drug Treatment from Portland was available
 - She asked if anyone could help with a new roof to contact her
- QLife meeting – Maupin project progressing; Lone Pine Development possible fiber to home
- Urban Renewal Meeting

Councilor McGlothlin read a report into the record (attached)

Councilor Elliott reported

- QLife Meeting via phone – fiber to the home project in Lone Pine Development
- Urban Renewal meeting

Mayor Lawrence reported:

- League of Oregon Cities Conference – Homeless issues
- County Commission – funding for Skill Center at Columbia Gorge Community College
- Building Codes – State won’t allow City to take on whole program. State run could mean office in Pendleton
- Attended Ron Wyden’s 906 Town Hall meeting

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- Sister City Delegation this weekend
- Yakama Housing Project ground breaking
- Oregon Mural ribbon cutting on Saturday

CONSENT AGENDA

It was moved by Brown and seconded by Elliott to approve the Consent Agenda as presented. The motion carried unanimously, Miller absent.

Items approved by Consent Agenda were: 1) Approval of September 24, 2018 Regular City Council Meeting Minutes.

CONTRACT REVIEW BOARD ACTION

Authorization of Purchase of Three New Larger-Capacity Pumps for the Chenoweth Lift Station on River Trail Way

City Engineer Dale McCabe reviewed the staff report.

Mayor Lawrence asked if the anticipated growth had been considered.

McCabe said the ultimate build out of the area had been considered.

It was moved by Long-Curtiss and seconded by Brown to authorize purchase of three new Flygt pumps from Xylem Water Solutions for the Chenoweth Lift Station in an amount not to exceed \$90,140. The motion carried, Miller absent.

ACTION ITEMS

Resolution No. 18-027 Initiating Partial Street Vacation to the Rear of 1707 Lincoln Way

Planning Tech Joshua Chandler reviewed the staff report.

It was moved by McGlothlin and seconded by Long-Curtiss to adopt Resolution No. 18-027 initiating the street vacation process for a portion of right-a-way adjacent to 1707 Lincoln Way. The motion carried, Miller absent.

Blue Zone Funding Request

City Manager Julie Krueger reviewed the staff report.

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October 22, 2018

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Krueger introduced Mimi McDonell.

McDonell said she was bringing this request at this time due to a funding short fall. She said Oregon Healthiest State would carry the current year deficit into next year, however, they need the commitment by March 2019.

Krueger recommended Council stick to the budget/funding process. She said there were funds in contingency that could be used. She noted that contingency was for emergency/unforeseen needs of the City.

Long-Curtiss said Blue Zones had told the City they would need support for three year. She said they didn't meet the request deadline, but were at the budget committee meeting.

Brown said the Council had worked hard to close the door to requests coming in all year long. He said he wasn't against Blue Zones, but wanted to stick to the process.

Elliott said he was in support of Blue Zones, but felt they shouldn't have taken the request off the table at the budget committee meeting.

In response to questions McDonell said if \$190,000 wasn't committed, staff would be given 90 days' notice and the program shut down.

McGlothlin said the City signed a letter of support to get the program to The Dalles. He said he was in favor of a \$25,000 donation.

It was moved by McGlothlin and seconded by Long-Curtiss to approve a \$20,000 donation for the current fiscal year, and directing staff to make the appropriate budget amendment.

Mayor Lawrence called for a roll call vote:

Voting opposed: Brown, Elliott

Voting in favor: McGlothlin, Long-Curtiss

Absent: Miller

To break the tie, Mayor Lawrence voted opposed.

The motion failed.

Blue Zones was encouraged to bring a request to the City Manager in January in preparation for the next budget.

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Columbia Gorge Regional Airport Mobile Home Lease Approval

Airport Manager Chuck Covert reviewed the staff report.

It was moved by Long-Curtiss and seconded by Elliott to approve the Lease with Life Flight for the use of mobile home space at Columbia Gorge Regional Airport contingent on approval of Klickitat County. The motion carried, Miller absent.

ADJOURNMENT

Being no further business, the meeting adjourned at 7:18 p.m.

Submitted by/
Izetta Grossman
City Clerk

SIGNED:

Stephen E. Lawrence, Mayor

ATTEST:

Izetta Grossman, City Clerk

Letter to the City Council concerning the Waldron Drugstore Building, October 2018

Honorable Mayor and City Council,

We write you at this time to urge the council to reconsider your action of September 24, 2018 directing staff to prepare an RFP for the demolition of the historic Waldron Drugstore, and respectfully request that you instead direct staff to work with interested community organizations to find a path towards the restoration and reuse of the historic Waldron Drugstore Building. Over the last few months substantial progress has been made toward the goal of saving and restoring this important piece of the history of The Dalles and the State of Oregon. In a series of weekly meetings, additional brainstorming sessions, public outreach, site visits by experts, and documentary research we have been able to gather important background information about the building, its condition, the issues of ownership, the Union Pacific (UP) right-of-way, and the projected timeline of wastewater treatment plant improvements and expansion, these are listed below:

- We learned that the 25 foot safety right-of-way only applies to UP owned property and that the Waldron Drugstore is entirely owned by the City of The Dalles.
- We learned that the City purchased the Waldron Drugstore in 1978 to mitigate the effects on the private owners of the building caused by the shifting of the UP tracks to the north side of 1st Street.
- We learned that the building was purchased by the city specifically to preserve it, and that access to it was insured by the establishment of a pedestrian crossing of the railroad tracks at Washington Street, and by the construction and improvement of the Port Haul Road. This road continues to provide limited access to the building from the Madison Street crossing via the north side of the wastewater treatment plant.
- We are investigating the reopening the pedestrian crossing of the railroad tracks at Washington Street.
- We learned that the long-term plan for the wastewater treatment plant does not envision expansion off the current site for at least the next 20 years.
- We consulted contractors and determined the cost to rehabilitate the building, and the feasibility and cost of moving it.
- We have identified grants and other funding sources to complete the restoration and reuse of the building.

With this background research done, it is now time to look at all of the possible options for the restoration and reuse of this building. We propose to prepare several detailed tangible and obtainable options and present them to council and the community for input at public meetings. Based on the input received we will prepare more detailed plans and timelines and present a plan to council for final approval. What we need to proceed on this path is council consent and a reasonable amount of time (6 months?) to carry out this important task.

The undersigned thank you for your consideration,

Georgia Foster
President

Columbia River Genealogical Society

OCT 22, 2018

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The undersigned thank you for your consideration,

Hannah Purnell

Letter to the City Council concerning the Waldron Drugstore Building, October 2018

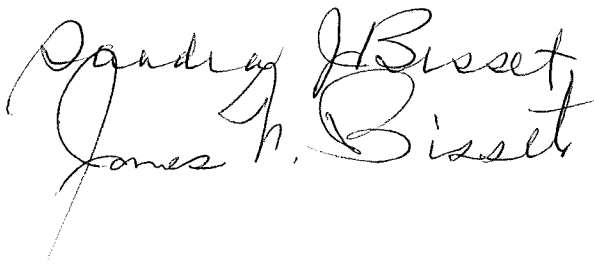
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The undersigned thank you for your consideration,

A handwritten signature in cursive script, reading "James H. Bisset". The signature is written in dark ink and is positioned below the text "The undersigned thank you for your consideration,".

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The undersigned thank you for your consideration,

Bambi Foy
Raptor Education Coordinator

OCT 22, 2018

Letter to the City Council concerning the Waldron Drugstore Building, October 2018

Doug Leash - President - Treasurer, Old St Peter's L.M.,

Colleen Ballinger - resident

Guan Shan - Tourist

Liz Crisp

Kathy Schwartz

RJ Ol

Jacqueline YC - resident

Landon

William G. Lennings

[Signature]

Mitchell Leash

Sharon Linterbank

Claudia Leash

Doreen J. Wolfe

Bill Wolfe

Doug Woolsey

Diana Ezelle

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Letter to the City Council concerning the Waldron Drugstore Building, October 2018

Karl J. Verconten
Lee Wosbee

Sandra Haechel

Robert A. Hoch

Diane Bungum

Bruce Spurr

Bob Haechel

C. Bruce Schwan

Maury Ramsey

A. J. Ellis
Margaret Stovall

Eric R. Stovall
Gary Knill

Dan Lall Carter
Hori Carter

Dea Page

Kathy Gay
Chukabury
dick Klein

Peter Gay
Mark Thomas
Micah Durr

Sherry Stephenson

Marta Hurl

Jama Belton

Oliver Poel

Mark Luetzger

Alan D. Swartz

Susan Stewart

Bill Maich

Kristine + John Dombroski

Shannon Morgan

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Letter to the City Council concerning the Waldron Drugstore Building, October 2018

Ann Marie Woolsey	10-15-18
Natty Keneale	10-17-18
Jayne Bridger	10-17-18
Joanne Ward	10-17-18
Samantha Luth	10-17-18
Louise L. Eeene	10-17-18
Zulema Parity	10-17-18
Jeff Starks	10-17-18
Paul Heinicke	10-17-18
CORINNE MARSH	10-17-18
Barbara Jelfer	10-17-18
Maggie Pando	10-17-18
Karen Murray	10-17-18
John Nelson	10-17-18
Connie Krummrich	10-17-18
Larry Lenny	10-17-18
Patricia Thompson	10-17-18
Carlyle Y J	10-17-18
Sandra Subban	10/17/2018
Serena Smith	10/17/18
Donna Kemper	10/17/18
Sherrin Unger	10/17/18

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Letter to the City Council concerning the Waldron Drugstore Building, October 2018

JOHN A. LITTLE

The Dalles, OR

CHARLES H BARKER

David Froh

— DP

Mosier Or.

Katy Young

Katy Young

The Dalles, OR.

James V. Dick

James V. Dick

The Dalles, OR

Christine Wallace

Christine Wallace

The Dalles, OR

Robert W. Shonbrun

R.W. Shonbrun

Robert Kenyon

Robert Kenyon

The Dalles, OR

Anthony A. Howe

Anthony A. H

The Dalles, OR

Fred Henshaw

Fred Henshaw


The Dalles, Or

Sheila Dooley

Sheila Dooley

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Letter to the City Council concerning the Waldron Drugstore Building, October 2018

Heather L Thompson	- 10-17-18
Gillian C. Barker	- 10-17-18
Britchen Kimsey	- 10-17-18
Steve Mary	10-17-18
Steven T. Murray	
Chris Bolton	10-19-18
Bill R. Jones	10-19-18
Adrienne Benton-Jones	10-19-18
Theresa Miller	10-19-2018
Brandy Glauke	10-20-2018
Darlene K. Lufkin	10-20-2018
	10-21-2018
Jeremy C. Carter	
Madison Schmitt	10-21-18
MARY MOONEY	10-21-18
JEFF MINNICK	10-21-18
Eric Stanner	10/21/18
Darlene C. Marick	10/22/18
Carolyn Pucell	10/22/2018
Andy Zwick	10-22-18
Dakota Thompson	10-22-18

10/21/18

Letter to the City Council concerning the Waldron Drugstore Building, October 2018

Widge Johnson

Kristin Klindt

Joanna Perez

Dylan Schectel

Kathryn Kelly

Mary C. Stut

Cheryl Godwin

Sheri Bossett

John E. Hemmicks

Paul Mink

Paul Aram

Carolyn Wood

Ben Eagan

12

October 22, 2018

Honorable Mayor and City Council:

The Waldron Drug/Gitchell building is a historically significant building for both The Dalles, Oregon and the nation as a whole. It is recognized as a primary resource in the National Register of Historic Places. As the last remaining historic building on the north side of 1st St. it provides the only visual reference point for visualizing the width and feel of 1st St.

Built by stone mason Henry Klindt in 1863, it has played many roles over the years starting as the Waldron Bros. Drugstore. Some of its other uses included serving as a Post Office, Masonic Lodge hall, a ticket office for The Dalles, Portland & Astoria Navigation Company, an apartment and office building (starting in the 20's), and as a sign painting business and artist studio for well-known local artist Percy Manser.

We have an opportunity to restore this building and make it an asset to the community again rather than having it join the list of all the other historic buildings in The Dalles that have been torn down over the years. Easily visible from the town and Interstate 84, this is the building that visitors see and remember as historic The Dalles. Its façade inspired street banners and the design of the Union St. underpass. Restored, among other uses, the building would serve as a welcoming sight to visitors arriving on the cruise ships.

This building has been a part of the life of our community almost from the town's inception. It has withstood fires, floods and neglect over the years. It now faces its greatest threat: demolition. Most of the public is unaware of the planned demolition as there has been no article about the vote in the newspaper.

There appears to have been a rush to demolish as at each of the 3 meetings at which this was on the agenda, there were different reasons given.

A group of citizens has been investigating these concerns and believe that the vote to demolish was not justified. It has also been frustrating to be left out of the process and unable to provide input at the 3 meetings. At the September 24, 2018 meeting reasons given for demolition included liability, stability of building, and cost. If the building were turned over to a non-profit, these would no longer be the City's concerns as the City would no longer be liable for the building.

In regards to a future expansion of the waste water treatment plant, the Waldron Drug building was purchased with General Fund monies and never planned to be part of this expansion, which won't be needed for an estimated 20 to 40 years according to the long term Master Plan for the waste water treatment plant.

We urge you to please reconsider your decision before it's too late.

Thank you.



Sheila Dooley

Statement by Dan Spatz to The Dalles City Council 102218:

On behalf of Columbia Gorge Community College, I wish to express our institution's appreciation to The Dalles City Council, Mayor Stephen Lawrence and City Manager Julie Krueger for your continuing interest in the college's request for Enterprise Zone funding for a workforce skills center and campus housing. The city's support to date has been instrumental in substantial progress toward realization of these new facilities, which require that the college obtain a fiscal match of \$7.3 million by Jan. 31, 2019, in order to receive a corresponding capital construction investment of \$7.3 million from the State of Oregon.

This past week the college presented to the Wasco County Commission, which together with the city council constitutes the decision-making authority for the college's Enterprise Zone request. This would be a significant public investment by the city, county, college, and the State of Oregon. A rigorous analysis of project financing, enrollment projections and operational costs is essential; the feasibility analysis completed early this year through support of the city council provided the basis for this analysis. We continue to refine our projections, and have every confidence we can provide the assurances needed in order for decisions to be presented and mutually agreed upon by the city, county and college board.

We anticipate bringing a request for these decisions to the respective boards in November.

Enterprise Zone partners will meet in early November to discuss the process through which this and other requests from various public partners should best be determined. Columbia Gorge Community College looks forward to participating in that allocations process, and welcomes the opportunity to address any and all questions related to our request.

-mcglothlin

On September 22, I departed with five other representatives from The Dalles to Washington DC as a member of The Dalles Outreach Team. The trip was a well planned mission to introduce three policy topics and three financial requests to elected officials from both Washington and Oregon legislative branches. In addition, we met with teams from agencies such as the National League of Cities, the Nation League of Counties, the Labor Department and other important federal players, the team also met with key staff from Governor Brown's Office located in Washington D.C..

Members of the team included:

Randy Anderson - CFO North Wasco County School District 21

Dave Griffith - Businessman and member of The Dalles Port board

Dan Spatz - Administrator with the Columbia Gorge Community College

Andrea Klass - Director of the Port of The Dalles

Scott Hege - Wasco County Commissioner

Timothy McGlothlin - The Dalles City Councilor

Issues such as continued funding of Perkins Grant, Columbia Gorge Regional Airport projects, support of a revising forest management practices to reduce threat of wildfires in our watershed, and the final payment for the Columbia Gorge Scenic Act of 87 that has yet been unpaid.

There was strong support from all agencies and legislature to move forward on our requests. I returned to The Dalles with a renewed sense that our voices were heard and action was forthcoming.

I was invited to speak on the KHR Mark Bailey Show last Thursday.

I was also invited to speak at the local Government Affair breakfast at the BBQ.

There is a Historical Landmark meeting this Wednesday that I will attend

Saturday is the mural ribbon cutting sponsored by the chamber that I will attend.



CITY OF THE DALLES
Department of Public Works
1215 West First Street
The Dalles, Oregon 97058

MEMORANDUM

TO: Honorable Mayor and City Council

DATE: October 17, 2018

THRU: Julie Krueger, City Manager

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

RE: Dog River Pipeline Replacement Project Update

There has been progress related to the Dog River Pipeline Replacement Project. As Council will recall, the project to replace the 100+ year old wooden pipeline is located on US Forest Service property. The City submitted a Proposed Action document to the Forest Service in October 2010 to begin the environmental review process in compliance with the National Environmental Policy Act (NEPA); this process will ultimately result in the release of an Environmental Assessment (EA) report. The Forest Service sought public comments on the project in 2011; only three comments were received and none of them opposed the project. The project was then placed on hold for a few years by the Forest Service because the City needed time (a few years) to secure funding for the project and the Forest Service, having limited resources to address competing priorities, prioritized more immediate projects to analyze over the Dog River project that was to be implemented later.

In March 2016, the Forest Service again sought public comments on the proposed project. This time comments were received that required the completion of Hydrology and Fisheries Studies analyzing the potential impacts of the project. In March 2017, the City Council authorized the City to enter into a cost recovery agreement with the Forest Service for completion of those studies by firms pre-qualified by the Forest Service for such work. Those studies have now also been completed. With information from the studies, the Forest Service developed a preliminary working draft of the Biological Assessment (BA), a document which is a part of the eventual Environmental Assessment, to City staff for review; comments were provided back to the Forest Service and they are to be incorporated into the final document. The Forest Service has also been coordinating closely with the US Fish and Wildlife Service in the development of the BA since they need to ultimately concur with the final EA.

The draft BA contained findings very favorable to the project. As of mid-September, the Forest Service was expecting to release a Draft EA in October with a Final EA to follow about a month later. The Final EA would then be published for a 45-day public comment period.

Staff is also working to finalize funding for the project. Outside funding is being pursued through two different sources – the Safe Drinking Water Revolving Loan Fund (SDWRLF) from which we are seeking \$1 million in grant and \$3 million in low-interest loans, and the Oregon Water Resources Department (OWRD) Water Projects Grants and Loan Program from which we

are seeking another \$1 million grant. The SDWSRF funding was tentatively awarded to the City three years ago and staff is currently working with the program to update eligibility documents. The City has been recommended for the OWRD \$1 million grant; funding under that program is scheduled to be finalized in November. The City has budgeted funds which, based upon existing project estimates, would be adequate to complete the funding needed for the project.

With a Final EA (after the public comment period) and secured funding, final engineering design for the project can begin this coming winter/spring.

RESOLUTION NO. 18-028

**A RESOLUTION UPDATING THE
EMPLOYEE RECOGNITION PROGRAM**

WHEREAS, The City has an Employee Recognition Program;

and

WHEREAS, that program was established as policy by Resolution 00-029;

and

WHEREAS, the City Council has reviewed an update to that policy;

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

Section 1. Policy Adopted. The policy established by Resolution 00-029 is repealed and replaced by this Resolution and program as set forth in Exhibit A, is hereby approved and adopted.

PASSED AND ADOPTED THIS 26TH DAY OF NOVEMBER, 2018

Voting Yes, Councilors: _____

Voting No, Councilors: _____

Absent, Councilors: _____

Abstaining, Councilors: _____

AND APPROVED BY THE MAYOR THIS 26TH DAY OF NOVEMBER, 2018

SIGNED: _____
Steve Lawrence, Mayor

ATTEST: _____
Izetta Grossman, City Clerk

EMPLOYEE RECOGNITION PROGRAM

Purpose: The purpose of the City of The Dalles Employee Recognition Program is to acknowledge and reward outstanding efforts of employees, and to recognize years of service of employees.

Annual Recognition: Annual employee recognition awards and service awards will be presented at the first City Council meeting in April.

Section 1. Service Awards- Employees who have worked for the City of The Dalles for periods of 5, 10, 15, 20, and more than 20 years, will be recognized annually, at the first City Council meeting in April.

Section 2. Excellent Customer Service Award- This award is open to all employees, and includes outstanding customer service to both external and internal customers (this includes citizens, other City employees, working with other governmental agencies, etc.). An employee may be nominated for this award who has provided customer service which is noticeably outstanding, by consistently displaying an exemplary attitude toward the public; providing customer service above and beyond expected service levels; "goes the extra mile"; and shows exceptional customer service efforts.

Section 3. Innovative Thinking Award- This award is for an employee who creates a new or improved idea, which creatively leads toward attaining the City's values of quality, integrity, and respect; saves the City money or generates a new source of revenue; or makes a process or procedure more efficient.

Section 4. Team Player Award - This award is for an employee who has demonstrated excellent performance, productivity, professionalism and other noteworthy accomplishments. The award exemplifies the employee values in daily performance by consistently performing work with the highest quality; demonstrating a respectful attitude toward the public and co-workers; approaching work with integrity; demonstrating a professional, positive attitude about work; and completing work in a manner which supports a safe working environment.

Section 5. Retirement - Awarded to employees upon retirement from City service, for those who have served a minimum of five years.

Forms of Recognition. The service award recipients will receive a Certificate of Recognition and a City of The Dalles Service Plaque, which will include the number of years of service. The employee will also receive a gift of their choosing, selected from the catalog provided by Human Resources. The value of awards will be budgeted annually and may be adjusted for economic conditions, City Manager or Council request.

The award recipients for the *Excellent Customer Service*, *Innovative Thinking*, and *Team Player* awards will receive a Certificate of Recognition, and a gift of their choosing from a catalog provided by Human Resources. The value of awards will be budgeted annually and may be adjusted for economic conditions, City Manager or Council request.

The retirement awards will include a plaque recognizing the years of service to the City and the City will pay up to \$150 toward a gift and/or retirement party.

Nominations. Annual nominations will remain open from January 1 through December 31 of each year. Forms will be made available to all City Employees and Councilors, and are to be filled out completely, including summary, and turned into the Human Resources Office by the last day of the calendar year. Any City employee or City Councilor may submit nominations.

Awards. All nominations will be reviewed by a panel, which will include the Mayor, Human Resources Director and City Manager. One recipient will be selected for the categories of Excellent Customer Service, Innovative Thinking, and Team Player per year. Award recipients will be notified in advance of the award ceremony.



AGENDA STAFF REPORT

AGENDA LOCATION: Public Hearing Item #11-A

MEETING DATE: November 26, 2018

TO: Honorable Mayor and City Council

FROM: Dawn Marie Hert, Senior Planner,
Community Development Department

ISSUE: Public Hearing upon proposed recommendations from the Planning Commission for amendments to The Dalles Municipal Code, Title 10, Land Use and Development to ensure that the code is consistent with statewide housing goals, administrative rules and statutes and to reduce barriers or development of specific housing types which are already allowed and supported by the City and State.

BACKGROUND: The City of The Dalles Municipal Code, Title 10- Land Use and Development, previously referred to as the Land Use and Development Ordinance 98-1222 or “LUDO”, is the City’s regulatory code for all land use located in The Dalles Urban Growth Boundary.

In 2017, the City of The Dalles completed a Housing Need Analysis (HNA) which considered and recommended a range of proposed amendments to the land use code. Staff worked with Angelo Planning Group to identify and prioritize specific areas of the land use code that would be amended for short-term implementation. The objective for this group of amendments is to provide more housing options to meet the needs identified in the adopted HNA; ensure that our land use code is consistent with statewide housing goals, administrative rules and statutes; and reduce barriers for development of specific housing types which are already allowed and supported by the City and State.

This group of amendments was presented to two work sessions of the Planning Commission on April 19, 2018 and May 17, 2018. Comments from that session have been incorporated in the amendments where appropriate. An Open House was also held on July 19, 2018 at the Civic Auditorium.

On August 2, 2018, the City Planning Commission conducted a public hearing upon proposed amendments to the City's Municipal Code, Title 10 - Land Use and Development Ordinance. The Planning Commission voted to adopt Resolution No. P.C. 576-18 for Zoning Ordinance Amendment #97-18 making a recommendation to City Council to approve of the various housing code amendments to The Dalles Municipal Code, Title 10 – Land Use and Development.

Due to the modifications to the zoning code including all areas located in the Urban Growth Boundary, notification of the changes are required to be provided to Wasco County Planning Office 15 days prior to the hearing to complete their review and recommendation per our Joint Management Agreement. On November 2, 2018 a copy of the proposed amendments was shared with Wasco County Planning Director Angie Brewer. On November 11, 2018 Angie Brewer provided comment that she had reviewed the housing related materials and did not have any questions or concerns and thanked staff for the coordination.

This application is a legislative action under the provisions of Article 10.3.110 - Ordinance Amendments – 10.3.110.020 – Review Procedures and 10.3.020.060(A)(2) – Ordinance Amendments.

Enclosed is a copy of the memorandum entitled ***Housing Needs Analysis Code Amendments - City of The Dalles*** which provides additional narrative to the proposed amendments to the code. The memorandum refers to the previous name of LUDO 98-1222.

BUDGET IMPLICATIONS: Angelo Planning Group provided assistance to staff with a professional services agreement in the amount of \$17,972.00 which was included in the Community Development's approved FY 2017-18 budget.

COUNCIL ALTERNATIVES:

1. **Staff recommendation:** *Move to adopt General Ordinance No. 18-1370 amending various Sections of The Dalles Municipal Code, Title 10- Land Use and Development.*
2. Decline adoption of General Ordinance No. 18-1370.



MEMORANDUM

Housing Needs Analysis Code Amendments City of The Dalles

DATE July 25, 2018
TO City of The Dalles Planning Commission
FROM Steven Harris and Dawn Hert, City of The Dalles
Matt Hastie and Jamin Kimmell, Angelo Planning Group

The purpose of this memo is to propose amendments to the City of The Dalles Land Use and Development Ordinance (LUDO) to implement housing strategies to support current and future housing needs. These strategies were identified as part of the City's Housing Needs Analysis (HNA), which was updated in 2017. The HNA considered and recommended a range of regulatory and non-regulatory strategies and the amendments proposed herein were prioritized for short-term implementation. The main objectives of these amendments are to:

- Provide more housing options to meet the needs identified in the City's adopted Housing Needs Analysis
- Ensure consistency with statewide housing goals, administrative rules and statutes
- Reduce barriers to developing specific types of housing which are already allowed and supported by the City and state

This memo is organized into five sections corresponding to five strategies that were selected for implementation. The purpose of each strategy is described below. The associated number of the strategy in the Housing Strategies Report of the HNA is provided for reference.

1. **Accessory Dwelling Units:** Amend development standards and other requirements to encourage development of Accessory Dwelling Units (LUDO Strategy #6 in HNA).
2. **Duplexes, Triplexes, and Townhomes:** Make selected amendments to development standards to encourage development of these attached single-family and multi-family housing types (LUDO Strategy #3 in HNA).
3. **Residential Care Facilities:** Revise use regulations to ensure compliance with the Fair Housing Act and state law (LUDO Strategy #1 in HNA).
4. **Neighborhood Compatibility Standards:** Revise standards to ensure compliance with state requirements for clear and objective standards that regulate needed housing (LUDO Strategy #2 in HNA).

5. **Expedited Permitting for Affordable Housing:** Provide expedited permitting for qualifying affordable housing projects to facilitate development and ensure compliance with the recently enacted Oregon Senate Bill 1051 (Non-Regulatory Strategy #3 in HNA). This strategy can be implemented by adoption of an ordinance and does not necessitate amendments to LUDO.

The proposed LUDO amendments are presented in each section in ~~strikeout~~/underline format (~~deleted or moved~~/added) format. Sections not amended are omitted unless needed for context.

1. ACCESSORY DWELLING UNITS

PROPOSED AMENDMENTS

CHAPTER 6: GENERAL REGULATIONS

Section 6.030: Accessory Development

6.030.030 Accessory Dwellings

- A. Purpose. Accessory Dwelling Units (ADU) are allowed in certain situations to:
 - Create new housing units while respecting the look and scale of single-family development;
 - Increase the housing stock of existing neighborhoods in a manner that is less intense than alternatives;
 - Allow more efficient use of existing housing stock and infrastructure;
 - Provide a means for residents, particularly seniors, single parents, and families with grown children, to remain in their homes and neighborhoods, and obtain extra income, security, companionship and services; and
 - Provide a broader range of accessible and more affordable housing.
- B. Applicability. An ADU may be located in a detached accessory structure, an attached addition to a primary dwelling, or within a space internal to a primary dwelling, such as a converted basement. A garage may be converted to an ~~accessory dwelling unit~~ ADU provided that the off-street parking requirement for the primary dwelling unit continues to be met. ADUs are permitted subject to the following provisions:
 1. In the RL zone, ~~Accessory dwellings one ADU are is allowed permitted~~ outright as an accessory use to a permitted single-family ~~residential development~~ dwelling.
 2. In the RM, RH, NC, and CBC zones, ADUs are permitted as follows:
 - a) One ADU may be permitted outright as an accessory use to a permitted single-family attached or detached dwelling.
 - b) Two ADUs may be permitted on the same lot as a permitted single-family attached or detached dwelling if one ADU is in a detached accessory structure and the other ADU

is either internal to the house or in an addition attached to the house, and the lot has a minimum area of 5,000 square feet. An application for a second ADU on a single lot must be reviewed as an Administrative Action.

c) Duplex. One detached ADU is permitted outright as an accessory use to a duplex if the lot has a minimum area of 5,000 square feet. An application for an ADU on a lot with an existing duplex must be reviewed as an Administrative Action.

3. In the CG and CLI zones, one ADU is permitted outright as an accessory use to an existing non-conforming single-family dwelling.

C. Development Standards. In addition to the applicable standards in the zoning district, ADUs must meet the following development standards.

~~A. Occupancy. The owner of the lot must occupy either the principal residence or the accessory unit unless otherwise exempted by the Director.~~

~~B. 1. Drainage, Sanitary Sewer and Water. Adequate provision shall be made for drainage, water and sewage waste.~~

~~C. 2. City Ordinances. The accessory dwelling unit ADU shall meet all applicable City Ordinances.~~

~~E. 3. Lot Requirements. The lot requirements (width, depth, area, coverage, etc.) on which the principal residence primary dwelling and accessory dwelling unit ADU are located shall be met.~~

4. Front Setbacks. Detached ADUs must be located behind a line established parallel with the front building line of the primary dwelling.

5. Rear Setbacks. The minimum rear setback for an ADU may be reduced to 5 feet if the structure is less than 15 feet in height or the rear lot line abuts an alley.

~~G6. Entrances. The entrance to the accessory dwelling unit shall be oriented to minimize impacts on and protect the privacy of adjacent properties.~~ Privacy Standards. The following standards are intended to protect the privacy of adjacent properties. Privacy standards are required along wall(s) of a detached ADU, or portions thereof, that are within 20 feet of a side or rear lot line that faces a residential property. A detached ADU meets the privacy standard if either of the following standards is met.

(a) All windows on a wall are placed in the upper third of the distance between a floor and ceiling. This standard applies to windows on exterior doors.

(b) Visual screening is provided along the portion of a property line that faces the wall of the ADU, plus an additional 10 lineal feet beyond the corner of the wall. The screening shall be opaque; shall be at least 6 feet high; and may consist of a fence, wall, or evergreen shrubs. Newly planted shrubs shall be no less than 5 feet above grade at time

of planting, and they shall reach 6 feet high within 1 year. Existing features on the site may be used to comply with this standard

~~E. Design Compatibility. The accessory dwelling unit shall be compatible with the primary dwelling unit through the use of similar exterior design and materials, color and roof pitch.~~

~~F. 7. Accessory Unit Maximum Size. The accessory dwelling unit's gross floor area of the ADU shall not exceed 6075% of the gross floor area of the primary dwelling unit (exclusive of garage[s] and unfinished basements) up to a maximum floor area of 6800 square feet. All areas being used as living space shall be counted toward the maximum allowance of 6800 square feet, whether or not those areas were originally built or intended to be used for habitation. In the case of a duplex, the size of the accessory dwelling unit may be no more than 75% of the living area of the smaller of the two primary units or 800 square feet, whichever is less. Two exceptions to this maximum size are permitted:~~

~~a) Basement ADUs. The total floor area of a basement of the primary dwelling may be used as the ADU, provided the basement area does not exceed the size of the primary dwelling.~~

~~b) Large Lots. On lots zoned RL that are at least 10,000 square feet and include an existing primary dwelling, the gross floor area of the ADU may be up to 1,000 square feet or 60% of the living area of the primary dwelling, whichever is less.~~

~~H. 8. Parking. No off-street parking needs to be provided for the accessory dwelling unit for one ADU on a single lot, so long as the parking requirement for the primary dwelling units is are met. A second ADU on a single lot must provide one off-street parking space in addition to the spaces required for the primary dwelling unit. However, should If off-street parking be is provided, the parking area shall not be located within any required front or side yard, other than existing and/or approved driveways.~~

~~I. Garage Conversions. A garage may be converted to an accessory dwelling unit provided that the off-street parking requirement for the primary dwelling unit continues to be met~~

~~J. Accessory Dwellings Allowed per Lot. Only one accessory dwelling unit shall be allowed per lot, or per contiguous lots under one ownership which are developed as one lot.~~

~~K. 9. Addressing. The accessory dwelling ADU shall be legally addressed with the street address of the primary dwelling plus the designation "Suite B".~~

~~L. Accessory dwellings are allowed in duplexes only with a Conditional Use Permit.~~

2. DUPLEXES, TRIPLEXES AND TOWNHOMES

PROPOSED AMENDMENTS

CHAPTER 5: ZONE DISTRICT REGULATIONS

Section 5.010: RL - Low Density Residential District

5.010.060 Development Standards

RL Low Density Residential	Standard
Lot Size Single Family Detached Corner Duplex Small Lot Single Family Attached Row House	5,000 sq. ft. minimum 42,500 sq. ft. per dwelling unit 4,000 sq. ft. minimum with density transfer 3,200 sq. ft. minimum with density transfer
Lot Width Lot Width - Corner Duplex	50 ft. minimum 325 ft. minimum per dwelling, each unit shall front on a separate street
Lot Depth	65 ft. minimum average

Section 5.020: RH - High Density Residential District

5.020.060 Development Standards

RH High Density Residential	Standard			
	One Dwelling Unit per Lot	Two Dwelling Units per Lot	Three Dwelling Units per Lot	Four or More Dwelling Units per Lot
Minimum Lot Area	3,500 sq. ft. OR 2,850 sq. ft. for small lot and townhouse clusters (3-8 units)	54,000 sq. ft.	86,000 sq. ft.	10,000 sq. ft.
Minimum Site Area per Dwelling Unit	3,500 sq. ft. OR 2,850 sq. ft. for small lot and townhouse clusters (3-8 units)	2,500 sq. ft.	2,500 sq. ft.	1,500 sq. ft.
Minimum Lot Width	35 ft. OR 285 ft. for small lot and townhouse clusters (3-8 units)	540 ft.	7560 ft.	75 ft.
Minimum Lot Depth	65 ft.	65 ft.	85 ft.	85 ft.

5.020.080 Open Area

Open Area requirements shall apply to all development with 34 or more dwelling units per lot.

A minimum of 30% of the gross lot area shall be developed as permanent open area. [...]

Section 5.030: RM - Medium Density Residential District

5.030.060 Development Standards

RM Medium Density Residential	Standard			
	One Dwelling Unit per Lot	Two Dwelling Units per Lot	Three Dwelling Units per Lot	Four or More Dwelling Units per Lot
Minimum Lot Area	4,000 sq. ft. OR 3,500 sq. ft. for small lot and townhouse clusters (3-8 units)	6 5,000 sq. ft.	8 7,050 sq. ft.	10,000 sq. ft.
Minimum Site Area per Dwelling Unit	4,000 sq. ft. OR 3,500 sq. ft. for small lot and townhouse clusters (3-8 units)	2,500 sq. ft.	2,500 sq. ft.	2,000 sq. ft.
Minimum Lot Width	40 ft. OR 35 ft. for small lot and townhouse clusters (3-8 units)	50 ft.	80 75 ft.	80 ft.
Minimum Lot Depth	65 ft.	65 ft.	85 ft.	100 ft.

5.030.080 Open Area

Open Area requirements shall apply to all development with ~~34~~ or more dwelling units per lot.

A minimum of 30% of the gross lot area shall be developed as permanent open area. [...]

Section 5.040: NC – Neighborhood Commercial Overlay

5.040.050 Development Standards

NC Neighborhood Commercial	Standard		
	Commercial Only	Residential Only	Mixed Commercial/ Residential
Minimum Lot Area	None	4,000 sq. ft. OR 2,850 sq. ft. per lot for small lot and townhouse clusters (3-8 Units)	4,000 sq. ft.
Minimum Site Area per Dwelling Unit	N/A	2,500 sq. ft.	2,000 sq. ft.
Minimum Lot	None	40 ft. OR	40 ft. OR

Width	None	285 ft. per lot for small lot and townhouse clusters (3-8 Units)	285 ft. per lot for small lot and townhouse clusters (3-8 Units)
Minimum Lot Depth		60 ft.	60 ft.

CHAPTER 6: GENERAL REGULATIONS

Section 6.010: Landscaping Standards

6.010.070 Required Landscaping by Zone

ZONE	SITE REQUIREMENT
RL	Site landscaped according to 6.010.020
RH 1, 2, or 3 Family 34+ Family	Site landscaped according to 6.010.020 Equal to 1.5 times the first floor area of all structures minimum
RM 1, 2, or 3 Family 34+ Family	Site landscaped according to 6.010.020 Equal to first floor area of all structures minimum
NC 1, 2, or 3 Family Residential Only 34+ Family Residential Only Commercial Only Mixed Residential/Commercial	Site landscaped according to 6.010.020 Equal to the first floor area of all structures minimum Equal 10% of the first floor area of all structures minimum Equal to .5 times the first floor area of all structures minimum

CHAPTER 7: PARKING STANDARDS

Section 7.060: Minimum and Maximum Parking Standards

Use Type	Auto Parking		Bike Parking
RESIDENTIAL	Minimum	Maximum	
One, two, and three dwelling units	2 spaces per dwelling unit	None	None
Four to twelve units (multifamily)	6 spaces, plus 1.5 spaces per dwelling unit in excess of three units	None	1 space per dwelling unit
Thirteen or more units (multifamily)	20 spaces, plus 1 space per dwelling unit in excess of 12 units	None	1 space per dwelling unit

In multifamily ~~units~~ developments, the applicant may elect to apply a minimum parking requirement of one parking space will be required for every two bedrooms, but not less than one parking space per dwelling unit.

3. RESIDENTIAL CARE HOMES AND FACILITIES

PROPOSED AMENDMENTS

CHAPTER 5: ZONE DISTRICT REGULATIONS

Section 5.010: RL - Low Density Residential District

5.010.020 Permitted Uses

A. Primary Uses Permitted Outright.

[...]

4. Other Use Types:

a) Wireless Communication Facilities, subject to the provisions of *Section 6.140: Wireless Communication Facilities*.

b) Residential Care Home, as defined in Chapter 2 - Definitions.

[...]

B. Accessory Uses Permitted Outright.

[...]

~~6. Residential Care Home, as defined in Chapter 2 - Definitions.~~

Section 5.020: RH - High Density Residential District

5.030.020 Permitted Uses

A. Primary Uses Permitted Outright.

[...]

5. Other Use Types:

a) Wireless Communication Facilities, subject to the provisions of *Section 6.140: Wireless Communication Facilities*.

b) Residential Care Home, as defined in Chapter 2 - Definitions.

[...]

B. Accessory Uses Permitted Outright.

[...]

~~6. Residential Care Home, as defined in Chapter 2 - Definitions.~~

Section 5.030: RM - Medium Density Residential District**5.030.020 Permitted Uses****A. Primary Uses Permitted Outright.**

[...]

5. Other Use Types:

a) Wireless Communication Facilities, subject to the provisions of *Section 6.140: Wireless Communication Facilities*.

b) Residential Care Home, as defined in *Chapter 2 - Definitions*.

[...]

B. Accessory Uses Permitted Outright.

[...]

~~6. Residential Care Home, as defined in *Chapter 2 - Definitions*.~~

Section 5.040: NC – Neighborhood Center Overlay**5.040.020 Permitted Uses****A. Primary Uses Permitted Outright.**

[...]

5. Other Use Types:

a) Residential Care Home, as defined in *Chapter 2 - Definitions*.

[...]

B. Accessory Uses Permitted Outright.

[...]

~~7. Residential Care Home, as defined in *Chapter 2 - Definitions*.~~

Section 5.050: CBC – Central Business Commercial District**5.050.020 Permitted Uses****A. Primary Uses Permitted Outright.**

[...]

~~20. Residential Care Facility and Group Homes, located in permitted single family residential structures, as defined in *Chapter 2 - Definitions*, and subject to the limitations on residential uses specified in subsection (A)(19).~~

21. Residential Care Home, as defined in *Chapter 2 - Definitions*, and subject to the limitations on residential uses specified in subsection (A)(19).

[...renumber remaining...]

B. Accessory Uses Permitted Outright.

[...]

~~7. Residential Care Home, as defined in Chapter 2 – Definitions.~~**Section 5.060: CG – General Commercial District****5.060.020 Permitted Uses****A. Primary Uses Permitted Outright.**

[...]

~~22. Residential Care Facility and Assisted Living, as defined in Chapter 2 – Definitions, and subject to the limitations on residential uses specified in subsection (A)(20).~~

23. Assisted Living Facility, subject to the limitations on residential uses specified in subsection (A)(20).

24. Residential Care Home, as defined in Chapter 2 – Definitions, and subject to the limitations on residential uses specified in subsection (A)(20).

[...renumber remaining...]

B. Accessory Uses Permitted Outright.

[...]

~~7. Residential Care Home, as defined in Chapter 2 – Definitions. Must be accessory to a permitted residential use.~~

4. NEIGHBORHOOD COMPATIBILITY STANDARDS**PROPOSED AMENDMENTS****CHAPTER 3: APPLICATION REVIEW PROCEDURES****Section 3.040: Neighborhood Compatibility Review****3.040.050 Review Criteria****B. Design Standards - All Development.**

- ~~1. Scale Façade Articulation. Buildings with walls greater than Street-facing facades that are over 80 feet in length shall include ~~street facades that are varied and articulated at regular 20, 30, 40 or 50 foot intervals~~ design features such as offsets, jogs, variation of finishes, projections, windows, bays, porches, traditional storefront elements, entries, variation in rooflines, or similar elements to provide the appearance of smaller buildings that break up otherwise long, uninterrupted elevations. Such elements shall occur at a minimum interval of 30 feet.~~

[...]

10. ~~Trim and Details.~~ Trim of a minimum width of three and a half inches shall be used around the windows, doors, frieze, and corners of buildings. ~~Details shall be used around the porch, fascia board, and window and door tops.~~

C. Design Standards - Residential.

In addition to the design standards for all development, the following standards shall apply to the different types of residential development:

1. Two Family ~~Structures, and Three Family Structures,~~ and Attached Single Family Structures (2 units). Where there are covered front porches on more than 65% of the residential structures on the block (both sides of the street), these attached dwellings shall be designed and constructed to have the appearance of a single house with a combined front porch and combined roof pitch.
2. Town Houses (3-5 or 3-8 attached units). Where there are covered front porches on more than 65% of the residential structures on the block (both sides of the street), Town Houses may shall be required to combine roof lines and front porches in pairs of two units, rather than having separate roof pitches and front porches for each unit, in order to be more in character with the surrounding existing neighborhood.

5. EXPEDITED PERMITTING FOR AFFORDABLE HOUSING

PROPOSED ORDINANCE

ORDINANCE NO. XX-XXX

AN ORDINANCE PROVIDING EXPEDITED PERMIT REVIEW FOR QUALIFYING AFFORDABLE HOUSING DEVELOPMENTS

WHEREAS, on [insert date], 2017, the City of The Dalles conducted a Housing Needs Analysis that identified a critical need for development of affordable housing to serve low income residents; and

WHEREAS, the Housing Needs Analysis found that an expedited development review process could reduce the regulatory costs of affordable housing and encourage greater development; and

WHEREAS, on August 23, 2017, the Oregon State Legislature made effective Senate Bill 1051, requiring cities with population greater than 5,000 to review and decide on applications for certain housing developments containing affordable housing units within 100 days;

THE PEOPLE OF THE DALLES ORDAIN AS FOLLOWS:

Section 1. All City permit applications for multi-family residential buildings that qualify for final action within the 100-day timeline, as established in ORS 197.311, shall be processed ahead of all other applications.

Section 2. The Planning Director of the City of The Dalles is hereby designated Permit Coordinator and will expedite and assist in the approval of all local permits for applications qualifying under ORS 197.311.

WHEREAS, a qualifying development may apply for City permits at any time, an emergency is declared to exist and this Ordinance shall go into full force and effect immediately upon its passage and approval.

City of The Dalles
Planning Commission Staff Report
AMENDED
Amendmentms to the Municipal Code,
Title 10 - Land Use and Development

ZOA 97-18

Prepared by: Dawn Marie Hert, Senior Planner

Procedure Type: Legislative

Hearing Date: August 2, 2018

Request: Housing Needs Analysis Code Amendments to the Municipal Code, Article 10 -Land Use and Development

Properties: All properties within the City of The Dalles Urban Growth Boundary

Applicant: City of The Dalles – Community Development Department

BACKGROUND INFORMATION

The City of The Dalles Municipal Code, Title 10- Land Use and Development, previously referred to as the Land Use and Development Ordinance 98-1222 or “LUDO”, is the City’s regulatory code for all land use located in The Dalles Urban Growth Boundary.

In 2017, the City of The Dalles completed a Housing Need Analysis (HNA) which considered and recommended a range of proposed amendments to the land use code. Staff worked with Angelo Planning Group to identify and prioritize specific areas of the land use code that would be amended for short-term implementation. The objective for this group of amendments is to provide more housing options to meet the needs identified in the adopted HNA; ensure that our land use code is consistent with statewide housing goals, administrative rules and statutes; and reduce barriers for development of specific housing types which are already allowed and supported by the City and State.

This group of amendments was presented to two work sessions of the Planning Commission on April 19, 2018 and May 17, 2018. Comments from that session

have been reviewed and incorporated in the amendments where appropriate. An Open House was also held on July 19, 2018 at the Civic Auditorium.

This application is a legislative action under the provisions of Article 3.110 - Ordinance Amendments – 10.3.110.020 – Review Procedures and 10.3.020.060(A)(2) – Ordinance Amendments.

NOTIFICATION

Notice of this public hearing was published in The Dalles Chronicle on July 21, 2018.

COMMENTS

Discussion at the public Open House included questions on accessory dwelling units, duplexes and increased density.

REVIEW

A. CITY OF THE DALLES MUNICIPAL CODE – TITLE 10- LAND USE AND DEVELOPMENT

I. PROCEDURE

a. Article 10.3.010.040 Applications:

FINDING #1: This application is initiated by the Director pursuant to the provisions of Section 10.3.010.040 F.

b. Article 10.3.020.060 Legislative Actions:

Section A. Decision types. 2. Ordinance Amendments:

FINDING #2: This application is for Ordinance Amendments per Article 10.3.110.

Section B. Public Hearings. The Commission shall hold at least one legislative public hearing to review applications for legislative actions and, by duly adopted resolution, make a recommendation to the Council to approve, approve with conditions, or deny the request.

FINDING #3: The public hearing has been set for August 2, 2018.

d. Article 10.3.020.060 Legislative Actions:

Section C. Notice of Hearing. At least 10 days before the legislative hearings, notice of the hearing shall be published in a newspaper of general circulation.

FINDING #4: A notice of hearing containing the information required was published in The Dalles Chronicle on July 21, 2018.

e. Notice of Hearing as required by ORS 227.186.

ORS 227.186 requires that all property owners whose property is rezoned must be provided notice at least 20 days, but no more than 40 days, prior to the date of the first hearing. For purposes of this provision, rezone includes any change that limits or prohibits uses previously allowed in a zone.

FINDING #5: Staff has determined that none of the proposed amendments comes within the definition of rezone as contained in the statute. Notices were not required.

f. Notice of Amendments as required by the State of Oregon, Department of Land Conservation and Development.

The Department of Land Conservation and Development requires a 35 day advance notice of any proposed amendments.

FINDING #6: The required notice was sent on June 28, 2018.

g. Section 10.3.020.070(A)(3) Staff Report.

A staff report shall be presented which identifies the criteria and standards applying to the application and summarizes the basic findings of fact. The staff report may also include a recommendation for approval, approval with conditions, or denial.

FINDING #7: The staff report has identified the criteria and standards as they relate to this application and has summarized the basic findings of fact. The staff report does include a recommendation for approval.

II. REVIEW

a. Section 10.3.110.030 Review Criteria

Proposed text amendments shall be consistent with the Comprehensive Plan, and State Laws and Administrative Rules.

FINDING #8: The City of The Dalles has broad discretion to adopt zoning textual changes. Each of the proposed amendments is consistent with the Comprehensive Plan, State Laws, and Administrative Rules.

B. COMPREHENSIVE PLAN

1. Goal #1. Citizen Involvement. To develop a citizen involvement program that insures the opportunity for citizens to be involved in all phases of the planning process.

Policy 3. The land-use planning process and policy framework shall include opportunity for citizen input as a part of the basis for all decisions and actions related to the use of land.

FINDING #9: This proposal is consistent with goals and policies of the Comprehensive Plan. A notice of public hearing has been published, and the public has an opportunity to provide testimony on the proposed changes to the Commission. The Commission can make alterations to the proposed amendments based on testimony at this hearing. There will be another public hearing before the Council, and that body will also have the opportunity to consider testimony from citizens and make changes.

2. Goal #2. Land Use Planning. To establish a land use planning process and policy framework as a basis for all decisions and actions related to use of land and to assure an adequate factual base for such decisions and actions.

Policy 6. Implement this Plan through appropriate ordinances and action. Implementing measures shall be developed to allow administrative review and approval authority.

FINDING #10: These amendments update the existing zoning ordinance, following the directive of the Comprehensive Plan.

3. Goal #10. Housing. To provide for the housing needs of citizens of the state.

Policy 1. Plan for more multi-family and affordable home ownership opportunities, including small lot single family residential, townhomes and manufactured housing development consistent with the City's Housing Needs Analysis.

FINDING #11: These proposed amendments are consistent with the Comprehensive Plan policy #1 by increasing the opportunity for duplexes, triplexes, townhomes, and Accessory Dwelling Units (ADU), in accordance with the City's 2017 Housing Needs Analysis (HNA).

The HNA found that the housing types identified above are projected to make up a significant share of new housing development:

- 27% of new housing units are projected to be some form of attached housing.
- Single family attached units (townhomes) are projected to meet 3% of future need. These are defined as units on separate tax lots, attached by a wall but separately metered, the most common example being townhome units.
- Duplex through four-plex units are projected to represent an additional 11% of the total need. Duplex units would include a detached single-family home with an accessory dwelling unit on the same lot.

The HNA found that there is enough land zoned for these housing types in the City; however, land zoned for these housing types must be developed at a higher density than in the past:

- The new housing unit capacity was estimated for the buildable lands identified in the City of The Dalles. There is a total remaining capacity for nearly 3,689 units.
- There is a total forecasted need for 1,769 units over the next 20 years. This is below the estimated capacity of 3,689 units.
- There is currently sufficient buildable capacity within The Dalles to accommodate projected need; however, much of this capacity is in the form of parcels with the potential for development or infill with future multi-family units. The size of the available remaining

capacity assumes that some high-density and medium-density zoned lands are built out at higher average densities than these areas have traditionally achieved in the past.

The Housing Strategies Report, part of the HNA, found that land zoned for duplexes, triplexes, townhomes, and Accessory Dwelling Units may not be developed for these housing types due to the barriers presented by certain regulatory standards. The proposed amendments are intended to reduce these barriers and facilitate development of these housing types.

Policy 2. Plan for the more efficient use of vacant land by encouraging infill development which is sensitive to existing neighborhoods and by encouraging new development which achieves the density allowed by the comprehensive plan.

FINDING #12: These proposed amendments are consistent with the Comprehensive Plan policy #2 by expanding the opportunities for ADUs in residential zones, reducing the lots sizes for housing types as well as providing clear and objective design criteria for infill development. These proposed changes will allow for infill development to help achieve the density as allowed by the Comprehensive Plan.

Policy 8. Flexibility in implementing ordinances is needed to accommodate infill and to foster a variety of development scenarios and housing options.

FINDING #13: These proposed amendments are consistent with the Comprehensive Plan policy #8 by providing flexibility for a variety of housing types and development scenarios. Proposed amendments include reductions in minimum lot area, minimum site area per dwelling unit as well as a reduction in minimum lot width in residential zones. The proposed changes to the standards will encourage the development of ADU's, Duplexes, Triplexes, and Townhomes. Additionally, to ensure compliance with the Fair Housing Act and state law, Residential Care Homes are being added as 'Primary Uses Permitted Outright'.

Policy 9. Provide for development of a wide range of housing types which may include single-family detached and attached housing, townhouses, apartments and condominiums, and manufactured housing. Housing types shall allow for a variety of price ranges to meet the needs of low, medium, and high income groups.

FINDING #14: These proposed amendments are consistent with the Comprehensive Plan policy #9 by increasing the opportunities for development of a wide range of housing types.

Policy 16. Development standards in all density areas shall be revised in order to permit more flexibility in site planning and development.

New standards shall consider flexibility for lot sizes, setbacks, accessory residential uses on the same lot, parking, alleyways and other development features.

FINDING #15: These proposed amendments are consistent with the Comprehensive Plan policy #16 by provide flexibility by reducing lot sizes for duplexes, triplexes and townhomes, so they may be developed on a wider range of lots. The proposed amendments also provide more flexibility for development of ADUs by removing unnecessary or overly restrictive requirements.

C. DISCUSSION

The attached memorandum entitled ***Housing Needs Analysis Code Amendments - City of The Dalles*** details the proposed amendments to the code, which include a variety of changes.

All of the proposed amendments are subject to revision or deletion. The Commission will forward a recommendation on the amendments to the City Council. The final decision on all the proposed amendments will be made by the City Council.

STAFF RECOMMENDATION:

Staff recommends that the Planning Commission recommend to the Council the approval of the amendments as shown on the attached memorandum entitled ***Housing Needs Analysis Code Amendments - City of The Dalles***, with any additional changes from the Commission.

GENERAL ORDINANCE NO. 18-1370

AN ORDINANCE ADDING A NEW SECTION 10.3.020.090, AND AMENDING SECTIONS 10.3.040.050, 10.5.010.060, 10.5.020.060, 10.5.020.080, 10.5.030.060, 10.5.030.080, 10.5.040.050, 10.10.6.010.070, 10.10.7.060, 10.5.010.020, 10.5.030.020, 10.5.040.020, 10.5.050.020, 10.5.060.020, 10.3.040.050, AND 10.6.030.030 OF THE DALLES MUNICIPAL CODE, TITLE 10 – LAND USE AND DEVELOPMENT

WHEREAS, in 2017, the City of The Dalles completed and adopted a Housing Need Analysis (“HNA”) which considered and recommended a range of proposed amendments to the City’s land use code; and

WHEREAS, on April 19 and May 17, 2018, the City Planning Commission conducted public meetings for discussion of the proposed amendments to the City’s Municipal Code, Title 10 - Land Use and Development Ordinance to provide more housing options to meet the needs identified in the adopted HNA; ensure that the City’s land use code is consistent with statewide housing goals, administrative rules and statutes; and reduce barriers for development of specific housing types which are already allowed and supported by the City and State; and

WHEREAS, on August 2, 2018, the City Planning Commission conducted a public hearing upon proposed amendments to the City’s Municipal Code, Title 10 - Land Use and Development Ordinance and voted to adopt Resolution No. P.C. 576-18 for Zoning Ordinance Amendment #97-18; and

WHEREAS, the City Council conducted a public hearing on November 26 to consider the Planning Commission’s recommendations, and following the close of the public hearing, the City Council conducted deliberations, and the Council members voted to approve the text amendments set forth below, based upon the following findings:

1. Goal #1 of the Comprehensive Plan concerning citizen involvement, seeks to develop a citizen involvement program that ensures the opportunity for citizens to be involved in all phases of the planning process. Policy #3 for Goal #1 provides “the land use planning process and policy framework shall include opportunity for citizen input as a part of the basis for all decisions and actions related to use of land. The Planning Commission conducted two public meetings and an open house during which citizens were provided the opportunity to comment upon the proposed text amendments. Notice of the public hearing before the City Council was advertised, and the public was provided an additional opportunity to comment upon the proposed text amendments.

2. Goal #2 of the Comprehensive Plan regarding Land Use Planning seeks to establish a land use planning process and policy framework as a basis for all decisions and actions related to use of land and to assure an adequate factual basis for such decisions and actions. Policy #6 of Goal #2 implements the Comprehensive Plan through appropriate ordinances and action. Implementing measures shall be developed to allow administrative review and approval authority. During the public hearings and open house conducted by the Planning Commission, information was presented by City staff and the City’s consultant who assisted with the preparation of the City’s HNA. The information described applicable provisions of state law concerning housing, and proposed revisions needed to ensure the City’s land use code complied with statewide housing goals, administrative rules and statutes. This process ensured that an actual factual basis would be identified and established for the City’s decisions. The proposed

text amendments update the City's existing zoning ordinance, following the Comprehensive Plan's directive to implement the Plan through adoption of appropriate ordinances.

3. Goal #10 of the City's Comprehensive Plan is "to provide for the housing needs of citizens of the state. Policy #1 of the Comprehensive Plan encourages the City to plan for more multi-family and affordable home ownership opportunities, including small lot single family residential, townhomes and manufactured housing development consistent with the City's HNA. These ordinance amendments are consistent with the Comprehensive Plan Policy #1 by increasing the opportunity for duplexes, triplexes, townhomes, and Accessory Dwelling Units (ADU), in accordance with LUDO strategies #3 and #6 identified in the City's 2017 HNA. The Housing Needs Analysis included the following information regarding the types of housing need and housing unit capacity for the City:

The HNA found that the housing types identified above are projected to make up a significant share of new housing development:

- 27% of new housing units are projected to be some form of attached housing.
- Single family attached units (townhomes) are projected to meet 3% of future need. These are defined as units on separate tax lots, attached by a wall but separately metered, the most common example being townhome units.
- Duplex through four-plex units are projected to represent an additional 11% of the total need. Duplex units would include a detached single-family home with an accessory dwelling unit on the same lot.

The HNA found that there is enough land zoned for these housing types in the City; however, land zoned for these housing types must be developed at a higher density than in the past:

- The new housing unit capacity was estimated for the buildable lands identified in the City of The Dalles. There is a total remaining capacity for nearly 3,689 units.
- There is a total forecasted need for 1,769 units over the next 20 years. This is below the estimated capacity of 3,689 units.
- There is currently sufficient buildable capacity within The Dalles to accommodate projected need; however, much of this capacity is in the form of parcels with the potential for development or infill with future multi-family units. The size of the available remaining capacity assumes that some high-density and medium-density zoned lands are built out at higher average densities than these areas have traditionally achieved in the past.

The Housing Strategies Report, which is part of the HNA, found that land zoned for duplexes, triplexes, townhomes, and Accessory Dwelling Units may not be developed for these housing types due to the barriers presented by certain regulatory standards. The proposed amendments are intended to reduce these barriers and facilitate development of these housing types.

4. Policy #2 of the Comprehensive Plan supports the more efficient use of vacant land by encouraging infill development which is sensitive to existing neighborhoods and by encouraging new development which achieves the density allowed by the Comprehensive Plan. These ordinance amendments are consistent with the Comprehensive Plan Policy #2 by expanding the opportunities for ADUs in residential zones, reducing the lots sizes for housing

types as well as providing clear and objective design criteria for infill development. These proposed changes will allow for infill development to help achieve the density as allowed by the Comprehensive Plan.

5. Policy #8 of the Comprehensive Plan provides there should be flexibility in implementing ordinances to foster a variety of development scenarios and housing options. These proposed amendments are consistent with the Comprehensive Plan policy #8 by providing flexibility for a variety of housing types and development scenarios. Proposed amendments include reductions in minimum lot area, minimum site area per dwelling unit, as well as a reduction in minimum lot width in residential zones. The proposed changes to the standards will encourage the development of ADU's, duplexes, triplexes, and townhomes. Additionally, to ensure compliance with the Fair Housing Act and state law, Residential Care Homes are being added as 'Primary Uses Permitted Outright'.

6. Policy #9 of the Comprehensive Plan encourages the City to provide for development of a wide range of housing types which may include single-family detached and attached housing, townhouses, apartments and condominiums, and manufactured housing. Housing types shall allow for a variety of price ranges to meet the needs of low, medium and high income groups. The Council finds the proposed text amendments are consistent with this policy by increasing the opportunities for development of a wide range of housing types. The increase in housing types will be offered at a variety of price ranges, helping to meet the financial needs of low, medium and high income groups.

7. Policy #16 of the Comprehensive Plan recommends that development standards in all density areas be revised in order to permit more flexibility in site planning and development, consistent with LUDO strategies #2 and #6 in the HNA. New standards shall consider flexibility for lot sizes, setbacks, accessory residential uses on the same lot, parking, alleyways and other development features. These proposed amendments are consistent with the Comprehensive Plan Policy #16 by providing flexibility by reducing lot sizes for duplexes, triplexes and townhomes so they may be developed on a wider range of lots. The proposed amendments also provide more flexibility for development of ADUs by removing unnecessary or overly restrictive requirements.

8. Section 10.3.110.030 of the City's Municipal Code, Title 10, Land Use and Development, provides that text amendments to the Land Use and Development Code shall be consistent with the City's Comprehensive Plan, state laws, and administrative rules. Based upon the findings listed above, the City Council concludes the proposed text amendments are consistent with the City's Comprehensive Plan, state laws, and administrative rules.

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

Section 1. Section 10.3.020.090 – Expedited Permit Review for Qualifying Affordable Housing.

A. All City permit applications for multi-family residential buildings that qualify for final action within the 100-day timeline, as established in ORS 197.311, shall be processed ahead of all other applications.

B. The Community Development Director of the City of The Dalles is hereby designated Permit Coordinator and will expedite and assist in the approval of all local permits for applications qualifying under ORS 197.311.

Section 2. **Section 10.3.040.050(B)(1) and (10) and (C) Review Criteria Neighborhood Compatibility Review** shall be amended to read as follows:

B. Design Standards - All Development.

1. Façade Articulation. Street-facing facades that are over 80 feet in length shall include design features such as offsets, jogs, variation of finishes, projections, windows, bays, porches, traditional storefront elements, entries, variation in rooflines, or similar elements that break up otherwise long, uninterrupted elevations. Such elements shall occur at a minimum interval of 30 feet.
10. Trim. Trim of a minimum width of three and a half inches shall be used around the windows, doors, frieze, and corners of buildings.

C. Design Standards - Residential.

In addition to the design standards for all development, the following standards shall apply to the different types of residential development:

1. Two Family Structures, Three Family Structures, and Attached Single Family Structures (2 units). Where there are covered front porches on more than 65% of the residential structures on the block (both sides of the street), these attached dwellings shall be designed with a combined front porch and combined roof pitch.
2. Town Houses (3-5 or 3-8 attached units). Where there are covered front porches on more than 65% of the residential structures on the block (both sides of the street), Town Houses shall be required to combine roof lines and front porches in pairs of two units, rather than having separate roof pitches and front porches for each unit in order to be more in character with the surrounding existing neighborhood.

Section 3. **Section 10.5.010.020(A)(4) RL – Low Density Residential District Primary Uses Permitted Outright**, shall be revised to read as follows:

A. Primary Uses Permitted Outright.

[...]

4. Other Use Types:

- a) Wireless Communication Facilities, subject to the provisions of Section 6.140: Wireless Communication Facilities.
- b) Residential Care Home, as defined in Chapter 10.2 - Definitions.

Section B(6) shall be revised by eliminating subsection 6.

Section 4. **Section 10.5.010.060 RL – Low Density Residential District Development Standards** shall be revised to read as follows:

RL Low Density Residential	Standard
Lot Size Single Family Detached Corner Duplex Small Lot Single Family Attached Row House Lot Width Lot Width - Corner Duplex Lot Depth	5,000 sq. ft. minimum 2,500 sq. ft. per dwelling unit 4,000 sq. ft. minimum with density transfer 3,200 sq. ft. minimum with density transfer 50 ft. minimum 25 ft. minimum per dwelling, each unit shall front on a separate street 65 ft. minimum average

Section 5. **Section 10.5.020.020(A)(5) RH – High Density Residential District Primary Uses Permitted Outright**, shall be revised to read as follows:

A. Primary Uses Permitted Outright.

[...]

5. Other Use Types:

a) Wireless Communication Facilities, subject to the provisions of Section 6.140: Wireless Communication Facilities.

b) Residential Care Home, as defined in Chapter 10.2 - Definitions.

Section B(6) shall be revised by deleting subsection 6.

Section 6. **Section 10.5.020: RH - High Density Residential District 10.5.020.060 Development Standards** shall be revised to read as follows:

RH High Density Residential	Standard			
	One Dwelling Unit per Lot	Two Dwelling Units per Lot	Three Dwelling Units per Lot	Four or More Dwelling Units per Lot
Minimum Lot Area	3,500 sq. ft. OR 2,500 sq. ft. for small lot and townhouse clusters (3-8 units)	4,000 sq. ft.	6,000 sq. ft.	10,000 sq. ft.
Minimum Site Area per Dwelling Unit	3,500 sq. ft. OR 2,500 sq. ft. for small lot and townhouse clusters (3-8 units)	2,000 sq. ft.	2,000 sq. ft.	1,500 sq. ft.
Minimum Lot Width	35 ft. OR 25 ft. for small lot and townhouse clusters (3-8 units)	40 ft.	60 ft.	75 ft.
Minimum Lot Depth	65 ft.	65 ft.	85 ft.	85 ft.

Section 7. **Section 10.5.020.080(A) Open Area** shall be revised to read as follows:

A. Open Area requirements shall apply to all development with 4 or more dwelling units per lot.

Section 8. **Section 10.5.030.020(A)(5) RM – Medium Density Residential Primary Uses Permitted Outright**, shall be revised to read as follows:

A. Primary Uses Permitted Outright.

[...]

5. Other Use Types:

a) Wireless Communication Facilities, subject to the provisions of Section 6.140: Wireless Communication Facilities.

b) Residential Care Home, as defined in Chapter 10.2 - Definitions.

Section (B)(6) shall be amended by deleting subsection 6.

Section 9. **Section 10.5.030.060 RM - Medium Density Residential District Development Standards** shall be revised to read as follows:

RM Medium Density Residential	Standard			
	One Dwelling Unit per Lot	Two Dwelling Units per Lot	Three Dwelling Units per Lot	Four or More Dwelling Units per Lot
Minimum Lot Area	4,000 sq. ft. OR 3,500 sq. ft. for small lot and townhouse clusters (3-8 units)	5,000 sq. ft.	7,500 sq. ft.	10,000 sq. ft.
Minimum Site Area per Dwelling Unit	4,000 sq. ft. OR 3,500 sq. ft. for small lot and townhouse clusters (3-8 units)	2,500 sq. ft.	2,500 sq. ft.	2,000 sq. ft.
Minimum Lot Width	40 ft. OR 35 ft. for small lot and townhouse clusters (3-8 units)	50 ft.	75 ft.	80 ft.
Minimum Lot Depth	65 ft.	65 ft.	85 ft.	100 ft.

Section 10. **10.5.030.080(A) Open Area** shall be revised to read as follows:

A. Open Area requirements shall apply to all development with 4 or more dwelling units per lot.

Section 11. **Section 10.5.040.020(A) NC – Neighborhood Center Overlay Primary Uses Permitted Outright**, shall be revised by adding a new subsection 5 which shall read as follows:

A. Primary Uses Permitted Outright.

[...]

5. Other Use Types:

a) Wireless Communication Facilities, subject to the provisions of Section 6.140: Wireless Communication Facilities.

b) Residential Care Home, as defined in Chapter 10.2 - Definitions.

Section B(7) shall be revised by deleting subsection 7.

Section 12. **Section 10.5.040.050 NC – Neighborhood Commercial Overlay Development Standards** shall be revised to read as follows:

NC Neighborhood Commercial	Standard		
	Commercial Only	Residential Only	Mixed Commercial/ Residential
Minimum Lot Area	None	4,000 sq. ft. OR 2,500 sq. ft. per lot for small lot and townhouse clusters (3-8 Units)	4,000 sq. ft.
Minimum Site Area per Dwelling Unit	N/A	2,500 sq. ft.	2,000 sq. ft.
Minimum Lot Width	None	40 ft. OR 25 ft. per lot for small lot and townhouse clusters (3-8 Units)	40 ft. OR 25 ft. per lot for small lot and townhouse clusters (3-8 Units)
Minimum Lot Depth	None	60 ft.	60 ft.

Section 13. **Section 10.5.050.030(A)(20) CBC – Central Business Commercial District** shall be revised as set forth below, and a new subsection 21 shall be added as set forth below:

A. Primary Uses Permitted Outright.

[...]

20. Residential Care Facility, as defined in Chapter 10.2 – Definitions, and subject to the limitations on residential uses specified in subsection (A)(19).

21. Residential Care Home, as defined in Chapter 10.2 – Definitions, and subject to the limitations on residential uses specified in subsection (A)(19).

The current subsections (21) through (24) shall be renumbered (22) through (25).

Subsection B(7) shall be revised by deleting subsection (7).

Section 14. **Section 10.5.060.020(A) Permitted Uses CG General Commercial District** shall be amended by inserting new subsections (22), (23), and (24) which shall read as follows:

A. Primary Uses Permitted Outright.

[...]

22. Residential Care Facility, as defined in Chapter 10.2 – Definitions, and subject to the limitations on residential uses specified in subsection (A)(20).

23. Assisted Living Facility, subject to the limitations on residential uses specified in subsection (A)(20).

24. Residential Care Home, as defined in *Chapter 10.2 – Definitions*, and subject to the limitations on residential uses specified in subsection (A)(20).

The current subsections (23) through (27) shall be renumbered (25) through (29).

Subsection (B) shall be revised by deleting subsection (7).

Section 15. **Article 6.030 Accessory Development**, shall be amended to read as follows:

10.6.030.010 Purpose. Accessory Dwelling Units (ADU) are allowed in certain situations to:

- A. Create new housing units while respecting the look and scale of a single-family development;
- B. Increase the housing stock of existing neighborhoods in a manner that is less intense than alternatives;
- C. Allow more efficient use of existing housing stock and infrastructure;
- D. Provide a means for residents, particularly seniors, single parents, and families with grown children, to remain in their homes and neighborhoods, and obtain extra income, security, companionship and services; and
- E. Provide a broader range of accessible and more affordable housing

10.6.030.020. General Regulations. An ADU may be located in a detached accessory structure, an attached addition to a primary dwelling, or within a space internal to a primary dwelling, such as a converted basement. A garage may be converted to an ADU provided that the off-street parking requirement for the primary dwelling unit continues to be met. ADUs are permitted subject to the following provisions:

- A. In the RL zone, one ADU are is permitted outright as an accessory use to a permitted single-family dwelling.
- B. In the RM, RH, NC, and CBC zones, ADUs are permitted as follows:
 - 1) One ADU may be permitted outright as an accessory use to a permitted single-family attached or detached dwelling.
 - 2) Two ADUs may be permitted on the same lot as a permitted single-family attached or detached dwelling if one ADU is in a detached accessory structure and the other ADU is either internal to the house or in an addition attached to the house, and the lot has a minimum area of 5,000 square feet. An application for a second ADU on a single lot must be reviewed as an Administrative Action.
 - 3) Duplex. One detached ADU is permitted outright as an accessory use to a duplex if the lot has a minimum area of 5,000 square feet. An application for an

ADU on a lot with an existing duplex must be reviewed as an Administrative Action.

3. In the CG and CLI zones, one ADU is permitted outright as an accessory use to an existing non-conforming single-family dwelling.

10.6.030.030 Accessory Dwelling Development Standards. In addition to the applicable standards in the zoning district, ADUs must meet the following development standards.

A. Drainage, Sanitary Sewer and Water. Adequate provision shall be made for drainage, water and sewage waste.

B. City Ordinances. The ADU shall meet all applicable City Ordinances.

C. Lot Requirements. The lot requirements (width, depth, area, coverage, etc.) on which the primary dwelling and ADU are located shall be met.

D. Front Setbacks. Detached ADUs must be located behind a line established parallel with the front building line of the primary dwelling.

E. Rear Setbacks. The minimum rear setback for an ADU may be reduced to 5 feet if the structure is less than 15 feet in height or the rear lot line abuts an alley.

F. Privacy Standards. The following standards are intended to protect the privacy of adjacent properties. Privacy standards are required along wall(s) of a detached ADU, or portions thereof, that are within 20 feet of a side or rear lot line that faces a residential property. A detached ADU meets the privacy standard if either of the following standards is met.

1. All windows on a wall are placed in the upper third of the distance between a floor and ceiling. This standard applies to windows on exterior doors.
2. Visual screening is provided along the portion of a property line that faces the wall of the ADU, plus an additional 10 linear feet beyond the corner of the wall. The screening shall be opaque; shall be at least 6 feet high; and may consist of a fence, wall, or evergreen shrubs. Newly planted shrubs shall be no less than 5 feet above grade at time of planting, and they shall reach 6 feet high within 1 year. Existing features on the site may be used to comply with this standard

G. Maximum Size. The gross floor area of the ADU shall not exceed 75% of the gross floor area of the primary dwelling (exclusive of garage[s] and unfinished basements) up to a maximum floor area of 800 square feet. All areas being used as living space shall be counted toward the maximum allowance of 800 square feet, whether or not those areas were originally built or intended to be used for habitation. In the case of a duplex, the size of the accessory dwelling unit may be no more than 75% of the living area of the smaller of the two primary units or 800 square feet, whichever is less. Two exceptions to this maximum size are permitted:

1. Basement ADUs. The total floor area of a basement of the primary dwelling may be used as the ADU, provided the basement area does not exceed the size of the primary dwelling.

2. Large Lots. On lots zoned RL that are at least 10,000 square feet and include an existing primary dwelling, the gross floor area of the ADU may be up to 1,000 square feet or 60% of the living area of the primary dwelling, whichever is less.

H. Parking. No off-street parking needs to be provided for one ADU on a single lot, so long as the parking requirement for the primary dwelling units are met. A second ADU on a single lot must provide one off-street parking space in addition to the spaces required for the primary dwelling unit. If off-street parking is provided, the parking area shall not be located within any required front or side yard, other than existing and/or approved driveways.

I. Addressing. The ADU shall be legally addressed with the street address of the primary dwelling plus the designation "Suite B".

Section 16. **Section 10.10.6.010.070 Landscaping Standards Required Landscaping by Zone** shall be revised to read as follows:

ZONE	SITE REQUIREMENT
RL	Site landscaped according to 10.6.010.020
RH 1, 2, or 3 Family 4+ Family	Site landscaped according to 10.6.010.020 Equal to 1.5 times the first floor area of all structures minimum
RM 1, 2, or 3 Family 4+ Family	Site landscaped according to 10.6.010.020 Equal to first floor area of all structures minimum
NC 1, 2, or 3 Family Residential Only 4+ Family Residential Only Commercial Only Mixed Residential/Commercial	Site landscaped according to 10.6.010.020 Equal to the first floor area of all structures minimum Equal 10% of the first floor area of all structures minimum Equal to .5 times the first floor area of all structures minimum

Section 17. **Section 10.10.7.060: Minimum and Maximum Parking Standards** shall be revised to read as follows:

<u>Use Type</u>	<u>Auto Parking</u>		<u>Bike Parking</u>
<u>RESIDENTIAL</u>	Minimum	Maximum	
One, two, and three dwelling units	2 spaces per dwelling unit	None	None
Four to twelve units	6 spaces, plus 1.5 spaces per dwelling unit in excess	None	1 space per

(multifamily)	of three units		dwelling unit
Thirteen or more units (multifamily)	20 spaces, plus 1 space per dwelling unit in excess of 12 units	None	1 space per dwelling unit
In multi-family developments, the applicant may elect to apply a minimum parking requirement of one parking space for every two bedrooms, but not less than one parking space per dwelling unit.			

PASSED AND ADOPTED THIS 26th DAY OF NOVEMBER, 2018.

Voting Yes, Councilors: _____

Voting No, Councilors: _____

Abstaining, Councilors: _____

Absent, Councilors: _____

AND APPROVED BY THE MAYOR THIS 26TH DAY OF NOVEMBER, 2018.

Stephen E. Lawrence, Mayor

Attest:

Izetta Grossman, City Clerk



AGENDA STAFF REPORT

AGENDA LOCATION: Contract Review Board #12-A

MEETING DATE: November 26, 2018

TO: Honorable Mayor and City Council

FROM: Dale McCabe, PE, City Engineer

ISSUE: Recommendation for award of Cliff Street Sewer Project,
Contract No. 2018-007

BACKGROUND: The City of The Dalles Public Works Department advertised for bids for the Cliff Street Sewer Project, Contract No. 2018-007. The scope of work for the project was stated as follows: “The work to be performed shall consist of furnishing all materials, labor and equipment necessary in the installation of approximately 507 feet of sanitary sewer, including manholes and pipe anchors. All work will be conducted in accordance with the contract documents.”

The Cliff Street Sewer Project is being constructed as a measure to eliminate the requirement of the City’s existing sanitary sewer lift station that is known as the 8th Street lift station. The 8th Street lift station currently provides the ability for the City to provide sanitary sewer service to the residences located on the north side of East 9th Street between the Brewery Grade/Dry Hollow Road intersection, easterly to Quinton Street.

The construction of the Cliff Street sewer project will construct a gravity sanitary sewer main from the current lift station location, down over the embankments adjacent to E 2nd Street to the sanitary sewer transmission main line that is located between E 2nd Street and the railroad property. This new gravity sewer main will eliminate the impending need to upgrade the 8th Street lift station which was estimated to cost approximately \$350,000. Easements and ODOT right-of-way permits are being obtained from the properties that the newly constructed gravity sanitary sewer main will be crossing.

The bid opening for the contract was held on November 8, 2018 at 2:00 pm for which we received four responsive bids. The bids received were as follows:

1. Crestline Construction, in the amount of \$110,917.00
2. James Dean Construction, in the amount of \$146,003.00
3. Beam Excavating, in the amount of \$155,714.00
4. Catworks, in the amount of \$212,766.00

The engineer's estimate for the project was \$131,367.80.

The bids were reviewed by City Staff to make sure the proper materials were submitted and the bids were deemed complete.

BUDGET IMPLICATIONS: The Cliff Street Sewer Project was originally budgeted for in the 2017/2018 fiscal year in the amount of \$153,315.00. Since the project did not occur in that fiscal year, those budgeted monies were rolled to the current fiscal year budget. Within Fund 56, the Sewer Reserve Fund, line 7630, there is a total of \$257,761.00 available in the 2018/19 fiscal year for this project.

COUNCIL ALTERNATIVES:

1. **Staff Recommendation:** *Authorize the City Manager to enter into contract for the Cliff Street Sewer Project with Crestline Construction, in an amount not to exceed \$110,917.00.*
2. Request that staff provide additional information in response to questions raised by City Council.
3. Deny authorization to proceed with the contract.



AGENDA STAFF REPORT

AGENDA LOCATION: Action Item #13-A

MEETING DATE: November 26, 2018

TO: Honorable Mayor and City Council

FROM: Matthew Klebes, Assistant to the City Manager

THUR: Julie Krueger, City Manager

ISSUE: Columbia Gorge Community College Skill Center Funding Request

BACKGROUND: The Columbia Gorge Community College has developed a project to address a workforce skills gap and a housing shortage that discourages students from attending college to learn the skills our businesses need. This project involves the construction of a regional skill center and campus housing on CGCC property in The Dalles. The summary and materials provided below will outline the project and associated request.

The Oregon Legislature has allocated \$7.3 million to build the skill center in partnership with North Wasco County School District. This allocation must be matched with \$7.3 million in non-state, dollar-for-dollar funds, verified through a bank account by January 31, 2019.

The college intends to use an investment in campus housing as the required match for the skill center funding. The campus housing investment will be in the form a full faith and credit obligation of \$7.3 million taken out by CGCC. CGCC would be responsible for servicing 3.8 million of said debt, and the City and County would be responsible for servicing the remaining 3.5 million of said debt. City/County debt service revenue will be provided by enterprise zone funds allocated to Wasco County and the City of The Dalles. An Intergovernmental Agreement (IGA) would be required obligating this responsibility.

CGCC is requesting commitment from the City of The Dalles and Wasco County to provide said debt service. Discussion has occurred on servicing this debt over a period of

4 years which translates to an estimated *minimum* debt payment of \$875,000.00 per year, not including fees, interest, or other costs.

Currently, the City of The Dalles and Wasco County each receive \$405,000 per year from the 2005 and 2013 enterprise zone agreements with Design LLC. This amount is expected to increase in FY 19/20 by a minimum of \$500,000 to each entity due to the 2015 enterprise zone agreement with Design LLC. Combined, the City and Wasco County will receive payments totaling an estimated 1.81 million per year from enterprise zone agreements. However, some of these funds have already been allocated, see budget implications below.

This proposal was presented to the City of The Dalles on September 10, 2018 and October 22, 2019. It was also presented to the Wasco County Board of Commissioners on October 17, 2018.

Attached to this staff report are:

- Summary sheet provided by CGCC,
- Preliminary timeline and site plan,
- Letter of support from the Mid-Columbia Fire and Rescue District and School District 21
- Minutes from the Wasco County Board of Commission meeting held on October 17, 2018,
- The FY 18/19 Budget Issue Paper (BIP) on Enterprise Zone Fees.
- As an example, an IGA between the City, County, and D21 for Enterprise Zone funds

BUDGET IMPLICATIONS:

Currently, the City receives \$125,000 from the 2005 Agreement with Design LLC. Under this agreement the last payment will be received FY 22/23. The City also receives \$280,000 from the 2013 Agreement with Design LLC, the last payment will be received FY 30/31. Combined, the City currently receives \$405,000 per year from these agreements. Please note that each abatement begins once construction has been completed, not the date of the agreement.

In FY 22/23 this amount will be reduced to \$280,000 per year as the final 2005 agreement payment is received and in FY 30/31 these payments will cease altogether.

Beginning in FY 17/18, \$56,000 per year has been allocated to the retirement of debt associated with the Mid-Columbia Fire and Rescue District training tower at Station #1 for up to 15 years. Beginning in 18/19 an additional \$34,000 per year has been allocated to the Mid-Columbia Fire and Rescue District for up to 13 years to establish and maintain a student volunteer program. It should be noted that the housing component of this volunteer program will be provided by CGCC's investment in campus housing.

As a result, in FY 19/20 the City will receive \$405,000 in enterprise zone fees from the first two agreements, of which \$86,000 has been committed to projects, with the remaining \$315,000 allocated to the general fund.

The payment associated with the 2015 Agreement with Design LLC will be received in FY 19/20 and is anticipated to produce a 1 million dollar *minimum* payment per year for 15 years. The final number has not currently been finalized. These funds will likely be split between the City and County unless other direction is received.

Under Option 1, if the City and Wasco County both agree to commit the funds generated by the 2015 agreement over a period of 4 years to service CGCC debt, said funds will be sufficient to cover *the minimum anticipated yearly debt service* of \$875,000 per year. This does not include interest, fees, or other costs associated with the debt.

Under Option 2, utilizing only the City's share of the 2015 Agreement funds (\$500,000) will allow the debt to be serviced over a 7 year period, with \$500,000 yearly payments. Again, this does not include interest, fees, or other costs associated with the bond.

Council may chose other varying payment periods to service the debt pursuant to bond rules which will affect the amount of funds available. This summary also assumes that these enterprise zone funds will be received at the appropriate time. If these funds are not received for whatever reason the City will still be expected to service the agreed upon debt.

COUNCIL ALTERNATIVES:

1. Direct staff to develop an IGA with CGCC and Wasco County for the use of enterprise zone funds, beginning in FY 19/20, in equal partnership with Wasco County, for the service of CGCC debt, not to exceed \$3.5 million in principal plus interest and fees associated with this principal amount, over a 4 year period, for the construction of campus housing and skills center, to be brought back to City Council for approval.
2. Direct staff to develop an IGA with CGCC for the use of City enterprise zone funds, beginning in FY 19/20, for the service of CGCC debt, not to exceed \$3.5 million in principal plus interest and fees associated with this principal amount, over a 10 year period, for the construction of campus housing and skills center, to be brought back to City Council for approval.
3. Direct staff to develop an IGA with CGCC for a different amount, structure, and/or payment period.
4. Decline to develop an IGA with CGCC for use of enterprise zone funds and direct staff on alternatives.



Treaty Oak Regional Skills Center and Campus Housing

The Columbia Gorge economy confronts a workforce skills gap that hampers business growth, and a housing shortage that discourages students from attending college to learn the skills our businesses need. Together with its public partners, Columbia Gorge Community College can help address both challenges by building a skills training center and housing on The Dalles Campus.

The Oregon Legislature allocated \$7.3 million to build the skills center in partnership with North Wasco County School District as a ***“prototype facility ... to focus on grades 11-14 and the transition between high school and post-secondary education.”*** This must be matched with \$7.3 million in non-state funds by January 2019. ***Housing investment may be used as match.***

The college has no suitable facilities to teach high-demand trades such as mechanics, machining and construction. The skills center will meet that need, providing physical capacity to support Future Ready Oregon, a statewide training initiative to close the skills gap. Meanwhile, campus housing will expand the college’s ability to serve students throughout the region.

Together, the college and North Wasco County School District will offer dual enrollment in career-technical skills ... precisely the same skills needed by regional industries.

We meet with industry partners. We listen to their needs. We apply what we learn.

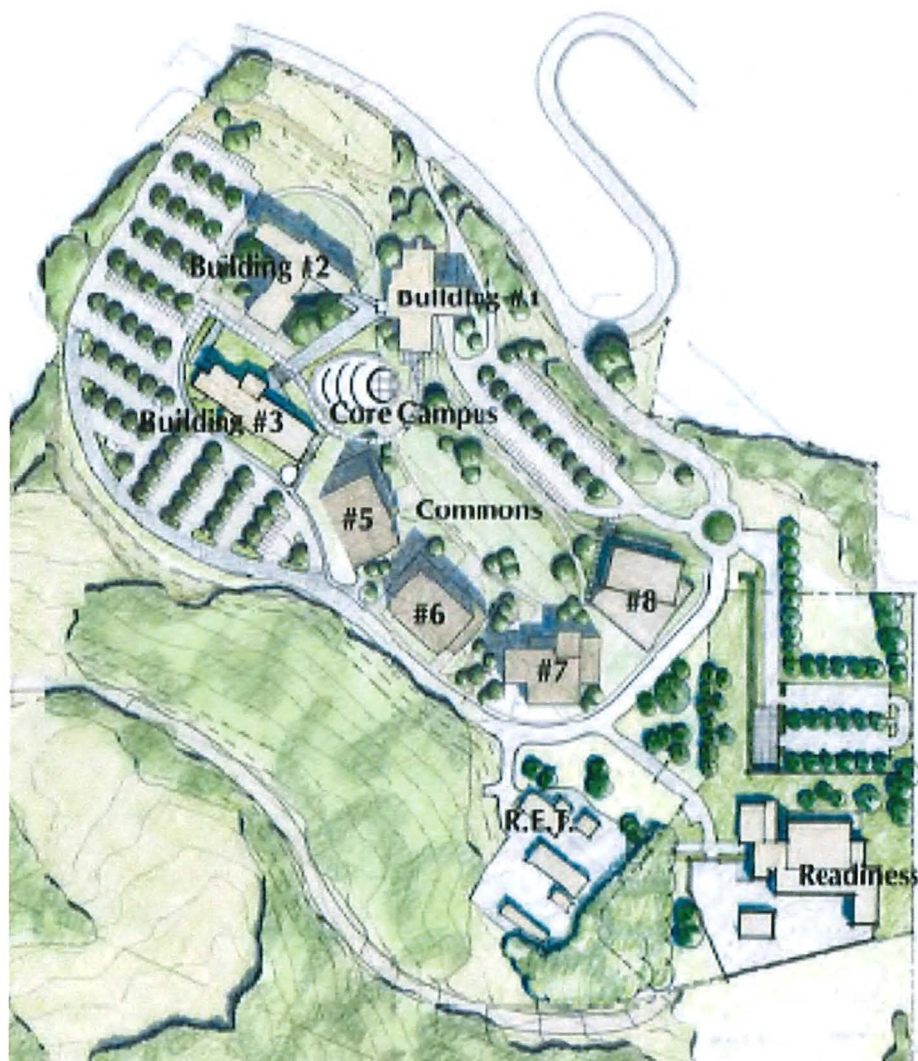
Potential examples:

- Introductory carpentry at the high school; framing and finished carpentry at CGCC
- Laser-guided technologies (fabrication, woods, metals) at the college to build upon preparatory learning at the high school
- Coordinated curricula to support auto and diesel mechanics training
- Expand CGCC’s welding class with stackable credentials and access to apprenticeships
- Expand CGCC’s “Realize Your Potential” as a pre-apprenticeship program

Multiple, dual credit pathways will begin at high school and continue through Grade 14, with certificates awarded as early as Grade 12. Pathways will include a mix of social sciences and CTE. The intentional mix of younger and older students will foster lessons in maturity, employment skills and mutual support.

We must raise the required match by January 2019. A \$3.5 million equity contribution and \$3.8 million debt investment in campus housing will create a fiscally-sustainable project to include on-site management and affordable monthly rents. Together, these investments will generate

the \$7.3 million matching amount required for the skills center. *We propose NO local tax measure.*



Columbia Gorge Community College 2001 Campus Master Development Plan

Proposed 2022 Build-Out
(Revised: 2012)

Map key:

- #1 – Existing classroom building
- #2 – Administration
- #3 – Health Sciences Building
- #4 – (Not shown, but preserved for programming)
- #5 – Space reserved for future
- #6 – Campus Housing Unit 1 (proposed)
- #7 – Campus Housing Unit 2 (proposed)
- #8 – Skill Center (proposed)

Skill Center & Housing preliminary timeline:

August 20, 2018:

- Board authorization to proceed with project

September 2018:

- Capital strategy concept to college board

October 2018:

- Capital strategy review

November 2018:

- Capital strategy review
- Capital strategy partner approvals

December 2018:

- Capital strategy CGCC board and partner approvals
- CGCC FF&C bond filing
- Retain project manager

January 2019:

- CGCC FF&C bond issuance
- Demonstration of XI-G match to State of Oregon
- Public hearings for conditional use permit
- Enterprise zone funding CUP decision

February 2019:

- A&E design/build RFP

April 2019:

- State bond sale

July '19 – April '20:

- A&E, permitting stages

June 2020:

- Groundbreaking
- Advance marketing

June 2022:

- Project completion

May 14, 2018

City of The Dalles
313 Court Street
The Dalles, Oregon 97058

Wasco County Commission
511 Washington Street
The Dalles, Oregon 97058

Dear Mayor Lawrence and Chairman Runyon:

Mid-Columbia Fire & Rescue District and North Wasco County School District support Columbia Gorge Community College's request to the City of The Dalles and Wasco County to help construct a workforce training skills center and campus housing on The Dalles Campus of CGCC.

Our support should not be construed as endorsement of the current process through which enterprise zone funds are allocated. As you are aware, affected tax districts have expressed concerns regarding the allocation process, and these concerns have not yet been resolved. Nevertheless, and pending modification of the allocations process to the satisfaction of all concerned, we recognize that the college's proposal has been presented in keeping with the current process. Since time is of the essence in assuring the college's ability to meet its funding match requirements and cannot be delayed while we await resolution of the allocations process, and since the college's proposal has community-wide value including benefit to each of our taxing districts, we endorse the college's proposal. We base our support upon the following:

- The college lacks facilities to conduct appropriate training in such areas as diesel mechanics; construction trades including electrical, HVAC and carpentry; and fire sciences, to name only a few. The proposed facility will encourage dual enrollment with students of North Wasco County School District and foster a college-going culture in keeping with Legislative direction to "focus on grades 11-14 and the transition between high school and post-secondary education." By expanding career-tech training capacity, the skill center will complement and augment the school district's own facility planning.
- The shortage of attainable housing in our community and region is a significant constraint on our ability, as employers, to recruit, train and retain a skilled workforce. Campus housing would help directly by providing student housing and indirectly by adding a new option for workforce housing. The facility would, for instance, provide six to nine dedicated units for the apprenticeship program of Mid-Columbia Fire & Rescue District.

For these reasons we encourage your approval of the college's request.

Sincerely,



Supt. Candy Armstrong, NWCSO 21



Tom Ashmore, President, MCF&R District

her compensation can be used for that.

*****The Board was in consensus to move the NORCOR/Wasco County IGA for the provision of administrative services for the Juvenile Detention Facility for review by the NORCOR Board of Directors.*****

Chair Kramer called a recess at 10:28 a.m.

The Session reconvened at 10:35 a.m.

Agenda Item – Statewide Transportation Improvement Fund Plan

MCEDD Deputy Director Jessica Metta reviewed the memo included in the Board Packet. She explained that the application is due by November 1st and is submitted online. She reported that the STIF Advisory Committee has met twice to develop and prioritize a list of projects (included in the Packet) that meet the intentions of the fund. She stated that once the application and plan are approved, they will be held accountable to meeting the goals they set forth.

Ms. Metta announced that they have just received a grant that will fund the deviated fixed route which will be in addition to call-ins for rides. They can deviate from the route to pick up someone with a disability. She provided a new project list (attached) with adjusted dollar figures. She explained that the state asked for two lists – one that would spend 100% of the grant funding and one that would spend 130% of the funding in case more money became available. Ms. Metta said that the first list actually exceeds the 100% and the lowest priority item may have to be abandoned. She reviewed the list.

Vice-Chair Hege asked if there is transportation in Dufur. Ms. Metta said that there is in response to a call but that it will not be part of the fixed route. He asked why they do not do the e-ticketing now as it is very low-cost. Ms. Metta said that they are considering that.

{{Vice Chair Hege moved to approve the Statewide Transportation Improvement Fund as presented. Commissioner Runyon seconded the motion which passed unanimously.}}

Agenda Item – Columbia Gorge Community College Request

CGCC Resource Development Director Dan Spatz explained that the State grant, originally intended for developing the Hood River campus, is a dollar for dollar match grant. He said that when the plans for Hood River fell through, they were

able to apply the grant to The Dalles campus, through the efforts of then State Representative John Huffman. The original grant included plans for land acquisition in Hood River. Since, there is already adequate space available at The Dalles campus, funding can go directly toward development.

Mr. Spatz went on to say that the combination of the grant and matching dollars is \$14.6 million – far more than is needed for the proposed Skills Center. The college conducted a market study which revealed that the local demographics for the target age group will be virtually static over the next decade and will not be enough to support the Skills Center. On-campus housing will attract students from out of the area; there are 1,200 or more diesel technicians needed in our larger region. He said that the Skill Center may not be supportable without the housing component.

Mr. Spatz acknowledged concerns about the housing piece of the project and suggested that they would use all of the college's \$3.8 million contribution and the \$3.5 million from the City and County to build the Skills Center. He went on to say that he realizes that negotiations have not resulted in the \$3.5 million commitment, but CGCC could work with the City and County for the debt service. He proposed that the City and County cover the first three years of the debt service for the entire \$7.3 million; in year four, CGCC would take on the debt service for \$3.8 million in addition to paying the City and County back for the first three years of service on that amount.

The Dalles Mayor Steve Lawrence said that one of the things that happens is that businesses looking to locate in our area come in and are concerned with opportunities for education. He stated that the Skills Center will provide more than the K-14 model and also feeds into the STEM training. He pointed out that this lends itself to the idea of using enterprise zone funds. He said that the Taylor Lake project will generate a minimum of \$1.2 million annually for 15 years; debt service will be just a fraction of that amount. He said that we are experiencing economic growth and this supports that growth.

Mayor Lawrence continued by saying that this idea was presented to The Dalles City Council where it received a positive response. He said that the money is there but the timing may be off for the enterprise zone funds. He stated that as he understands it you can structure a loan to time the payments in a way that could work with the current circumstances. He noted that the enterprise zone team has not yet made a recommendation for the use of the Taylor Lake project funds. He said he would advocate strongly for this project.

CGCC President, Dr. Marta Cronin, said that they would not be here asking for this funding without doing their due diligence. She said that the flexible space will allow the college to adapt to the needs of the market over time.

CGCC Chief Academic Officer Lori Ufford said that one barrier to programming is the lack of flexible space. She reported that the high school buses kids in every day to participate in the welding program – a program that could be expanded if the college had the space.

Commissioner Runyon noted that Sherman County funded the welding program. He asked if the college has spoken to them about funding. He pointed out that the students they are talking about making use of the housing are from neighboring counties. Mr. Spatz responded that he has not talked to them about this and perhaps should.

Mayor Lawrence commented that this is for infrastructure; the college will be responsible for the programming.

Commissioner Runyon asked if the enterprise zone team has met to discuss this. Mayor Lawrence replied that they have not but are working to get a meeting on the calendar. He said they will have to make the recommendation.

Vice-Chair Hege said that during the recent Community Outreach Team's trip to Washington DC, they talked about career and vocational education. He reported that at the federal level, the Department of Labor supports vocational programs and he feels good that there will continue to be support for that in the future. He stated that there is more funding for programs than infrastructure and he believes the CGCC proposal is a good idea and a good use of funds. He said that he is happy that District 21 and Mid-Columbia Fire and Rescue support it. He added that he is concerned about County Counsel's memo regarding encumbering future Commissions. He said that his initial idea is not to take on a 15-year debt; he would like to pay it off in the first four years to reduce the interest payment.

Commissioner Runyon asked if the existing land can be used as part of the match requirement. Mr. Spatz replied that the grant is designed as a dollar for dollar match. He said that CGCC has to have a demonstrated bank account for that by January 31, 2019.

Commissioner Runyon said that were this project to be recommended and the

City and County move forward with it, he would also like to see a short-term payback.

Vice-Chair Hege observed that when the Taylor Lake project was being produced, he had opportunities to talk to the union president who was very supportive of having an apprenticeship shop here.

Commissioner Runyon asked what the revenue will be from the housing unit. Mr. Spatz replied that they are not looking to make money on the housing, just to be able to support it.

Commissioner Runyon asked what would be done with the funds were they to generate revenue through the housing units; would they give back to the enterprise zone? Mr. Spatz said that they could negotiate that point.

Chair Kramer asked if program development would run alongside of this project so that the programs are ready when the doors open. Mr. Spatz replied that they talk about that all the time; it is the goal. Commissioner Kramer said that there have been some conversations with county management and he would want to vet their concerns so that we as a county have done due diligence to meet our future needs.

Discussion Item – Building Codes Management

Mr. Stone reported that he had participated in a conference call organized by the City of The Dalles Planning Director. The call included the City and Wasco County Planning Directors, representatives of MCCOG Building Codes participating counties and State Building Codes Administrator Mark Long. He said that the conversation provided more detail of what some of the impacts of various choices would be:

- If Wasco County turns the program over, it will go back to the State along with the reserve funds.
- If the City of The Dalles takes the program, they could only assume the program for the City proper – not the urban growth areas or the County.
- If the City takes the program the State would not contract back to cover the areas outside of the City – they would provide those services out of another office.

Mayor Lawrence asked if Wasco County would have to take on the other counties should it decide to keep the program. Mr. Stone replied that each county has



CITY of THE DALLES
313 COURT STREET
THE DALLES, OREGON 97058

(541) 296-5481
FAX (541) 296-6906

BUDGET ISSUE PAPER

CITY OF THE DALLES

BUDGET YEAR AFFECTED	DEPARTMENT(S) AFFECTED	BUDGET DOCUMENT REFERENCE NUMBER
FY 18-19		

TO: City of The Dalles Budget Committee

FROM: Matthew Klebes, Enterprise Zone Manager/Assistant to the City Manager

THRU: Angie Wilson, Finance Director

DATE: January 29, 2018

ISSUE: BIP 18-023 Enterprise Zone Fees

BACKGROUND:

In 2005, the City of The Dalles and Wasco County signed an Enterprise Zone Tax Abatement Agreement with Design, LLC for the construction of the first Design, LLC site. This agreement called for Design, LLC to make an initial payment of \$280,000. After this initial project fee Design, LLC has agreed to make a \$250,000 payment for each year that the facility receives a tax exemption up to 15 years. Currently, we have received eleven payments with the possibility of receiving four more as long as their facility continues to operate.

The distribution of the initial fee is as follows:

• City of The Dalles	\$140,000
• Wasco County	<u>\$140,000</u>
Total	\$280,000

For the first six yearly payments the distribution has been as follows:

• Columbia Gorge Community College Information Technology Program	\$100,000
• QualityLife Intergovernmental Agency	\$50,000
• Wasco County Economic Development	\$75,000
• Project related costs to Wasco County	<u>\$25,000</u>
Total	\$250,000

The payment distribution for FY 14/15 was changed to the following:

• Columbia Gorge Community College (computer science programs)	\$75,000
• Wasco County	\$87,500
• City of The Dalles	<u>\$87,500</u>
Total	\$250,000

The payment distribution for fiscal year FY 15/16 and onward was changed to the following:

• Wasco County	\$125,000
• City of The Dalles	<u>\$125,000</u>
Total	\$250,000

In 2013 the City of The Dalles and Wasco County signed a second Enterprise Zone Tax abatement agreement for the construction of the second Design, LLC site. The initial project fee for this project was 1.2 million. After this initial project fee Design, LLC has agreed to make an \$800,000 payment for each year that the facility receives a tax exemption up to 15 years. Currently, we have received four payments with the possibility of receiving eleven more as long as their facility continues to operate.

The distribution of the initial fee is as follows:

• Mid-Columbia Fire and Rescue Fire Station #2	\$484,646*
• Northern Wasco County Parks and Rec	\$100,000
• Wasco County	\$425,845
• City of The Dalles	\$129,691
• Columbia Gorge Regional Airport	<u>\$60,000</u>
Total	\$1,200,182

*Per ASR dated 11/17/1 after accounting for a higher construction cost, architectural fees, and a State Homeland Security Grant the total cost of the Fire Station was \$557,356.00. As such, \$68,000 of funds originally allocated to a student intern program to begin in 2017 for the Mid-Columbia Fire and Rescue district were used for the remodel of Station #2. This changed the start date for the student intern program to 2019.

The distribution of the second agreement's annual fee is as follows:

• Wasco County	\$280,000
• City of The Dalles	\$280,000
• Northern Wasco County School District 21	<u>\$240,000</u>
Total	\$800,000

In FY15/16, a third Enterprise Zone agreement was established with Design, LLC. The initial payment for this agreement was 1.45 million paid to the County/City and 250,000 to the Port of The Dalles. The City and County agreed to divide the initial payment of \$1.45 million as follows:

• Set aside for shovel ready projects approved by County and City	\$ 250,000
• Wasco County	\$ 600,000
• City of The Dalles	<u>\$ 600,000</u>
Total	\$1,450,000

Per the agreement, an additional fee was paid computed as the difference between the initial payment and the amount calculated based on cubic feet as stated on the development's initial permit. This amount was 78,737.76. The City received \$39,763.80.

Once the third facility is completed the agreement with Design, LLC states that a minimum yearly payment of 1 million dollars or payment based on cubic footage (whichever is higher) will be made for each year that the facility receives a tax exemption up to 15 years

BUDGET IMPLICATIONS: From the first Design, LLC agreement the City receives \$125,000 each year. From the second Design, LLC agreement the City receives 280,000 each year for a total of \$405,000 for FY 18/19.

Beginning in FY 17/18, the funds from the second Design LLC abatement are allocated as follows: \$56,000.00 for up to fifteen years to the Mid-Columbia Fire and Rescue District for the retirement of debt associated with the construction of a training tower at Station #1. One payment has been made with another fourteen payments expected as long as Design, LLC continues to qualify under the abatement agreement.

Starting in January of 18/19 an additional \$34,000.00 each year for up to thirteen years will be allocated to the Mid-Columbia Fire and Rescue District to establish and maintain a student volunteer program. These allocations are per an Inter-Governmental Agreement dated July 31, 2015

Design, LLC Agreements and Payments

Agreement	Initial Payment	Breakdown	Yearly Payment	Breakdown
2005 Design LLC Agreement	280,000 initial payment	Split between City and County.	250,000 per year payment	Initially split between City, County, CGCC, Qlife, and Wasco EDC In 2014/15 Split between City, County, and CGCC Currently split between City and County only and is put into the general fund

2013 Design LLC Agreement	1.2 million initial payment	Split between Mid-Columbia Fire and Rescue, Parks and Rec, County, City and Airport	800,000 per year payment	Split between City, County, and D21 Portion of City funds allocated to Mid-Columbia Fire and Rescue per IGA
2015 Design LLC Agreement	1.45 million initial fee Additional 250,000 to Port of The Dalles Additional payment per agreement was \$78,737.76. City received \$39,763.80	250,000 set aside for shovel ready projects Remaining 1.2 million split between City and County	Fee dependent on cubic footage, minimum of 1 million payment	Annual fee pending completion of facility.

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

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

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

RECITALS:

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

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

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

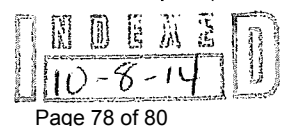
WHEREAS, the City of The Dalles and Wasco County jointly sponsor a nonurban enterprise zone known as The Dalles/Wasco County Enterprise Zone; and

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

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

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

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



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

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

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

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

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

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

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

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

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

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

NORTH WASCO COUNTY SCHOOL DISTRICT #21

By: Cand. Penty
Name and Title

Approved as to Form:

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

WASCO COUNTY

By: Rod Runyon
Rod Runyon, Commissioner

Scott Hege
Scott Hege, Commissioner

Steve Kramer
Steve Kramer, Commissioner

Approved as to form:

Eric Nisley
Eric Nisley, District Attorney

CITY OF THE DALLES

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

ATTEST:

Julie Krueger
Julie Krueger, MMC. City Clerk

Approved as to form:

Gene E. Parker
Gene E. Parker, City Attorney