

AGENDA**REGULAR CITY COUNCIL MEETING****OCTOBER 14, 2024****5:30 p.m.****CITY HALL COUNCIL CHAMBER****313 COURT STREET****&****LIVE STREAMED****https://www.thedalles.org/Live_Streaming**

To speak online, register with the City Clerk no later than noon the day of the council meeting. When registering include: your full name, city of residence, and the topic you will address.

Upon request, the City will make a good faith effort to provide an interpreter for the deaf or hard of hearing at regular meetings if given 48 hours' notice. To make a request, please contact the City Clerk and provide your full name, sign language preference, and any other relevant information.

Contact the City Clerk at (541) 296-5481 ext. 1119 or amell@ci.the-dalles.or.us.

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

A. The Dalles Main Street, Cynthia Kortge

6. AUDIENCE PARTICIPATION

During this portion of the meeting, anyone may speak on any subject which does not later appear on the agenda. Up to three minutes per person will be allowed. Citizens are encouraged to ask questions with the understanding that the City can either answer the question tonight or refer that question to the appropriate staff member who will get back to you within a reasonable amount of time. 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 COUNCIL REPORTS

CITY OF THE DALLES

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

9. CONSENT AGENDA

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

- A. Approval of the September 23, 2024 Regular City Council Meeting Minutes
- B. Surplus of Parking Lot Sign

10. PUBLIC HEARINGS

- A. Adoption of General Ordinance No. 24-1407, A General Ordinance Amending The Dalles Municipal Code Chapter 8.02 (Short-Term Rental License)

11. ACTION ITEMS

- A. Resolution No. 24-022 A Resolution Authorizing Transfers of Budgeted Amounts Between Categories of Various Funds of the City of The Dalles Adopted Budget, Making Appropriations and Authorizing Expenditures for the Fiscal Year Ending June 30, 2025
- B. Adopting Special Ordinance No. 24-604, A Special Ordinance Granting a Non-Exclusive Telecommunications Franchise to Zayo Group, LLC
- C. Adopting Resolution No. 24-023, A Resolution Establishing the City’s Official Compensation Package Policy for elected officials

12. ADJOURNMENT

This meeting conducted VIA Zoom

Prepared by/
Amie Ell
City Clerk

CITY OF THE DALLES

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



CITY of THE DALLES

313 COURT STREET
THE DALLES, OREGON 97058

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

PRESENTATIONS

AGENDA LOCATION: Item #5A

MEETING DATE: October 14, 2024

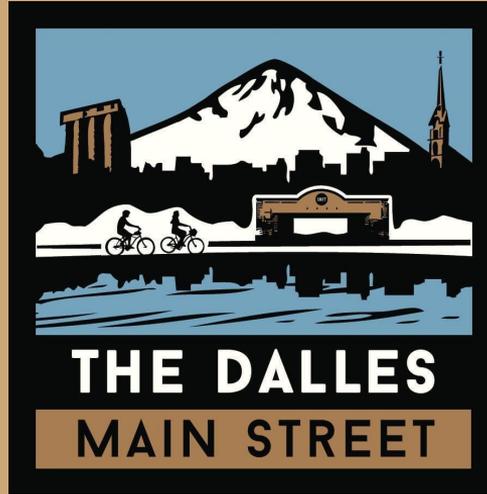
TO: Honorable Mayor and City Council

FROM: Amie Ell, City Clerk

ISSUE: Presentation Materials

A. **ITEM:** The Dalles Main Street, Cynthia Kortge

ATTACHMENTS: Presentation Slides



2024 Presentation

TD Main Street Pause

- Post pandemic climate
- Leadership changes
- Board changes
- Challenges
- Opportunities

TD MAIN STREET MISSION & VISION

Mission: Engage community members and partners in creating a vibrant downtown that illuminates our historic and cultural assets and enhances the district's economic vitality.

Vision: Enticed by the sunshine and beauty of the area, visitors and residents linger and stay because of the vibrant history of downtown The Dalles. Nestled in the bend of the Columbia River, our restored buildings and cultural assets provide a backdrop for new energy & resources and are a source of community pride and a reflection of the area's rich culture & history. An active entrepreneurial spirit has created destination retail, restaurants, wineries, and breweries adding to the vitality of downtown, while still serving as a regional hub of professional and service businesses. Bike and pedestrian friendly, the district has inviting gathering spaces to engage the public in a wide variety of activities scheduled year round. Downtown is a destination to live, work, shop, and play.



PILLARS of MAIN STREET

- Promotion
- Design
- Economic Vitality
- Organization



PROMOTION

2024 Priority: Create downtown brand identity and utilize strategic events to build community and expand customer base

1. First Friday events
2. Uncorked Wine Walk & Mural Fest
3. Downtown Trick or Treat
4. Photos with Santa
5. Sip & Shop
6. Seasonal Lights



DESIGN

2024 Priority: Lighting (alleys, storefronts & light poles) visual merchandising, new parklets, planters, enhanced signage. Continued collaboration with Beautification Committee.

1. Refurbish existing bike racks and new installations
2. Lighting enhancements
3. New mural “Wasco County”
4. Spring & Fall Clean up



ECONOMIC VITALITY

2024 Priority: Increase business communication & outreach, connect businesses to resources, leverage new website & social media channels, establish quarterly lunches/business town hall meetings

1. July Town Hall
2. Monthly Main Street Meetups
3. New Website
4. Coordinated marketing



ORGANIZATION

2024 Priority: Develop a sustainable funding plan. Identify and deepen partnerships and develop committee structure.

1. Added 4 new members to the Board of Directors
2. Uncorked Wine Walk & Mural Fest
3. Re-energize volunteer base
4. Enhance key partnerships
5. Implementation of 2023 Oregon Main Street Grant

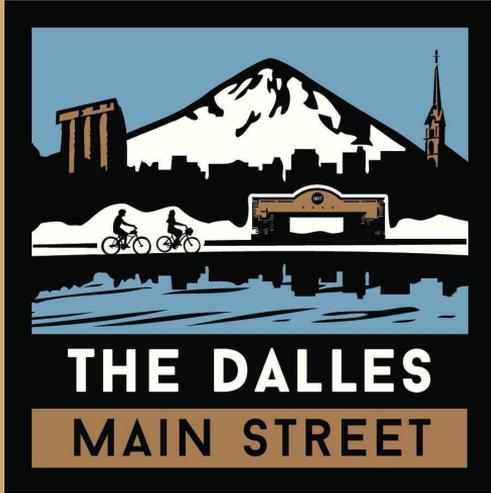


What's Next?

2025: Continue to build and grow the momentum of TD Main Street.

1. Reviewing additional board member applications to expand the expertise of the board, committees, & volunteers
2. Solidify ongoing yearly event schedule
3. Continue community engagement to grow involvement in downtown revitalization
4. Build sponsorship program to work with key community partners
5. Develop and maintain a sustainable funding model







AGENDA STAFF REPORT

AGENDA LOCATION: Item #9 A & B

MEETING DATE: October 14, 2024

TO: Honorable Mayor and City Council

FROM: Amie Ell, City Clerk

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

- A. **ITEM:** Approval of the September 23, 2024 Regular City Council meeting minutes.

BUDGET IMPLICATIONS: None.

SYNOPSIS: The minutes of the September 23, 2024 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 September 23, 2024 Regular City Council meeting minutes.

- B. **ITEM:** Surplus 3rd and Jefferson Parking Lot Sign

BUDGET IMPLICATIONS: Revenue received from the sale of property will be deposited into the General Fund under miscellaneous income.

SYNOPSIS: This agenda items seeks to declare a sign from the 3rd and Jefferson St proposed parking lot as surplus property. The sign is no longer useful to the City and needs to be removed to allow for the development of the parking lot. The sign still retains value and staff intends to disposed of the sign through a local bidding process.

RECOMMENDATION: Approve surplus of sign as described.

MINUTES

CITY COUNCIL MEETING
COUNCIL CHAMBER, CITY HALL
SEPTEMBER 23, 2024
5:30 p.m.

VIA ZOOM/ IN PERSON

- PRESIDING:** Mayor Richard Mays
- COUNCIL PRESENT:** Darcy Long, Tim McGlothlin, Rod Runyon, Scott Randall, Dan Richardson
- COUNCIL ABSENT:** None
- STAFF PRESENT:** City Manager Matthew Klebes, City Attorney Jonathan Kara, City Clerk Amie Ell, Police Chief Tom Worthy, Finance Director Angie Wilson, Community Development Director Joshua Chandler

CALL TO ORDER

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

ROLL CALL OF COUNCIL

Roll Call was conducted by City Clerk Ell. Long, McGlothlin, Runyon, Randall, Richardson present

PLEDGE OF ALLEGIANCE

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

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

APPROVAL OF AGENDA

Mayor Mays noted item #11A would be removed from the agenda.

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Regular City Council Meeting

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It was moved by Randall and seconded by Long to approve the agenda as amended. The motion carried 5 to 0, Randall, Long, McGlothlin, Richardson, Runyon voting in favor; none opposed; none absent.

PRESENTATIONS PROCLAMATIONS

Jill Hoyenga Award

Deputy Public Works Director Eric Hansen recognized Jill Hoyenga (see attached)

The Dalles Little League, President Katie Kelley and Patrick Urain

Patrick Urain presented an update of operations for The Dalles Little League (see attached)

Columbia Gorge Community College, Board of Education Chair Kim Morgan

Kim Morgan, Board Chair for Columbia Gorge Community College (CGCC), presented to the City Council, thanked Mayor Mays and the council for the opportunity. She stated that CGCC would be going out for a bond in November, as the current bond was set to expire in 2025. The new bond would continue at the same rate of 27 cents per \$1,000 of assessed value with no tax increase to voters, applying to both Wasco and Hood River Counties.

Morgan explained that CGCC prioritized equitable access to education and drove inclusive prosperity in the community. She noted that CGCC had 290 full-time students, 749 part-time students, and was recognized as the first Hispanic-serving institution in Oregon, with 28% Hispanic enrollment. A recent study showed that CGCC had contributed \$45 million in regional income and supported 645 local jobs.

Morgan mentioned the dual enrollment programs with The Dalles and Hood River high schools and discussed the 2019 groundbreaking for the Advanced Manufacturing Skill Center and residence hall. She emphasized that no bond was required for that project and that one of the goals of the new bond was to pay off that loan. She expressed gratitude for partnerships with the City of The Dalles and the Port of The Dalles.

Morgan highlighted the importance of the advanced manufacturing program, which had supported local businesses, and provided examples of successful collaborations, such as a prototype carburetor developed at CGCC. She also mentioned playground equipment projects with Adventist Health and Chenoweth Primary School.

The bond, if passed, would raise \$13 million, with \$5.5 million in matching funds from the state. It would enhance student safety and campus security, including installing lockdown measures,

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locks, and security cameras. Morgan also discussed refitting classrooms and labs, such as the nursing program's sim labs, which also benefited local hospital staff.

Morgan invited the councilors to visit CGCC to see the programs in action and asked if they had any questions.

Randall pointed out that CGCC had students enrolled in the electromechanical technology program who were a part of the Army Corp of Engineer's power plant training program. This program gave the skills and knowledge needed to go on to complete an apprenticeship then secure a professional career with the federal government.

Morgan noted the CGCC aviation maintenance program had recently graduated its first cohort. She said they were trying very hard to get a hangar at the Columbia Gorge Regional Airport for the classroom space for this program.

Richardson emphasized the importance of highlighting the benefits of having a thriving community college with local trade programs and noted that the bond would not raise rates but simply continue the current one. He mentioned that his nephew had just started the aviation maintenance program, acknowledging a personal bias.

Long shared that two weeks prior, she had been in Washington, DC with the community outreach team, seeking assistance for the aviation maintenance program and other initiatives. She reminded the Council that the bond was asking for the same rate as 20 years ago. Long mentioned that project costs had doubled in recent years, and money was not going as far, but expressed confidence that with this bond, it would go farther. She noted that by refinancing the existing debt, the cost to taxpayers would ultimately be lower. Long praised the college for creating a world-class education facility that provided family living wage jobs, which were often hidden and underappreciated in The Dalles. She commended the college and College Board for making good decisions and not touting their accomplishments enough.

Morgan added that in 2019, CGCC opened a college food pantry. During the pandemic, when five food pantries operated throughout the Hood River and Wasco County region, the CGCC pantry was one of the only ones that remained open. She highlighted how helpful it had been for students who were food insecure and noted that the pantry was also open to the wider community.

Mayor Mays shared that he attended two meetings of the committee working to pass the bond and expressed his support for the bond. He stated that he planned to vote for it and encouraged everyone in the audience to do the same.

Local Government Academy Graduation Recognition

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Mayor Mays recognized the Local Government Academy graduates in attendance. He noted that there were 12 graduates being honored and presented them with certificates of achievement and medallions. He explained that the Academy consisted of seven sessions, each lasting about an hour and a half, which included presentations, tours, and demonstrations led by City staff. The Mayor expressed hope that the Academy educated the participants on how the City operates and encouraged them to consider volunteering for City commissions and committees, as past graduates had done. He then invited the graduates to come forward as their names were called to receive their certificates.

AUDIENCE PARTICIPATION

Sally Carpenter, resident of The Dalles read a letter to council about STRs (Short Term Rentals). (see attached)

Long thanked Carpenter for the feedback and thoughtful response to proposed STR amendments.

Mayor Mays suggested Carpenter and her neighbors pay close attention to the City website as the topic would be addressed at an upcoming Council meeting.

Klebes said the Leadership Team would be meeting the next day to firm up the plans for the next City Council meetings. He said it was tentatively scheduled for October on either the 14th or 28th.

Patrick Matson of 313 West 20th St said he was concerned about the agenda report completed on July 22, particularly the grandfathering clause that would allow all existing Short-Term Rentals (STRs) to be exempt from new regulations. He said he worried that, even after the moratorium and the establishment of new procedures, the community would face the same problems, leaving it in a similar situation as before. He said he understood that some property owners had invested capital to create commercial enterprises, but residents had also made substantial investments in their neighborhoods. He said his neighborhood had the highest concentration of STRs in residential areas, which he found inequitable. He believed new rules and regulations should apply to everyone, though he suggested that if grandfathering were allowed, it should be limited to three years. He said an indefinite exemption didn't seem fair to the community. Additionally, he said the current 100-foot notification requirement was inadequate, as he had not received any notification despite living within that radius. He proposed expanding the notification area to at least 500 feet, including the perimeter of every property, to ensure residents on the other side were informed.

Olga Maximo said she had recently moved to The Dalles and resided near Radio Way and West Scenic. She expressed appreciation for the work of City staff on the proposed code changes related to Short-Term Rentals (STRs) and described the proposal as a good start. She said she had previous experience living in a small destination town of 15,000 people, she highlighted two

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recommendations. First, she suggested that the distance metric between STRs be measured as a radius rather than a line, which she said would better control STR density in neighborhoods. Second, she expressed opposition to a grandfather clause for existing STRs, recommending that the City continue monitoring and regulating STR growth on a regular basis. She said that with effective STR regulation, there could be an opportunity to increase long-term rental availability and improve affordability in the area.

CITY MANAGER REPORT

City Manager Matthew Klebes reported;

- The Federal Street Plaza Ad Hoc Committee held its first meeting a few weeks prior, with the next meeting scheduled for Wednesday evening. The committee began exploring options for the plaza.
- Human Resources Director Daniel Hunter completed the Emergency Response Toolkit, which included: An updated Continuity of Operations Plan, an updated City Evacuation Plan, acquisition of "stay bags" with supplies to support up to 50 Public Works staff for 14 days during an emergency.
- Attended the Dog River ribbon-cutting/completion ceremony and a Small Cities meeting organized by Business Oregon.
- Expressed appreciation to Local Government Academy participants and thanked staff who stayed late to assist, noting their efforts to make presentations transparent, welcoming, and engaging for the community.
- Extended personal and community gratitude to Dave Anderson for his diligent work on the Dog River Pipeline project, acknowledging its lasting benefits.

CITY COUNCIL REPORTS

Councilor Runyon reported;

- Attended the Mid-Columbia Fire and Rescue observance marking the 23rd anniversary of the 9/11 attacks, including the Twin Towers, Pentagon, and Pennsylvania events.
- Held a phone meeting with the City Manager.
- Attended the POW/MIA National Day of Recognition at the Kelly Viewpoint.
- Participated in a briefing session with the City Manager, City Attorney, and Richardson.
- Made individual phone calls following the briefing with both the City Manager and Mayor Rich Mays to discuss various issues.

Councilor Richardson reported;

- Agreed with Councilor Runyon that the recent briefing session was productive and helpful in preparing for upcoming negotiations.
- Attended the Preparedness Expo and assisted the Lions Club in grilling.

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- Participated in the first official meeting of the Plaza Ad Hoc Committee.

Councilor McGlothlin reported;

- Attended a meeting with the Homeless Committee.
- Participated in an Urban Development meeting.
- Attended the POW/MIA ceremony at Kelly Viewpoint.
- Attended an Airport Commission meeting.
- Served on the Mid-Columbia Fire District interview panel.
- Held a briefing session with the City Manager.

Councilor Long reported;

- Traveled to Washington, DC, with community outreach team September 9 – 13th. A more detailed report would follow.
- Attended Urban Renewal Agency, discussed potential increase in maximum indebtedness.
- Participated in a briefing session with the City Manager, another Councilor, and Mayor.
- Missed the Dog River Pipeline event due to a canceled flight and overnight delay.

Councilor Randall reported;

- Attended the 9/11 commemorative event
Participated in briefing session with the Mayor, Councilor Long, the City Manager, and the City Attorney.

Mayor Mays reported;

- All items had already been covered.

CONSENT AGENDA

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

Items approved on the consent agenda were: 1) The minutes of the September 9, 2023 Regular City Council Meeting; 2) The minutes of the August 19, 2024 City Council Work Session Meeting; 3) Resolution No. 24-022 Concurring with The Mayor's Appointment to the Planning Commission, Pipinich

Runyon said he would like to point out speaker had requested a list of all STR residential and email addresses. He said this list was already available in the minutes from the September 9th meeting.

Mayor Mays recognized Carrie Pipinich who had joined via Zoom was in attendance.

PUBLIC HEARING

Special Ordinance No 24-603 Vacating Portions of Public Right-Of-Way Adjacent to 1405 East 10th Street

Mayor Mays read the Quasi-Judicial Hearing rules.

Mayor Mays opened the public hearing at 6:42 pm and asked for the staff report.

Joshua Chandler Community Development Director reviewed the staff report.

Mayor Mays asked if there was anyone present who would like to testify in favor of the proposed vacation. There were none.

Mayor Mays asked if there was anyone present who would like to testify in opposition of the proposed vacation. There were none.

Mayor Mays asked if there was anyone present who would like to testify or ask questions on the proposed vacation. There were none.

Mayor Mays confirmed had enough information to make a decision. He closed the public hearing at 6:53 pm.

Ell read the Ordinance by title.

It was moved by Richardson and seconded by Randall to adopt Special Ordinance No. 24-603, approving the Petition for Public Right-of-Way Vacation, Application No. 075-24 vacating portions of the public right-of-way adjacent to 1405 East 10th Street, based upon the findings of fact and conclusions of law set forth in the Agenda Staff Report, by title only, as presented. The motion carried 5 to 0, Richardson, Randall, Long, McGlothlin, Runyon voting in favor; none opposed; none absent.

EXECUTIVE SESSION

In accordance with ORS 192.660(2)(h) to consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed.

Randall recused himself, stating he had a conflict of interest.

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Mayor Mays recessed Open Session at 6:57 pm.

Mayor Mays reconvene Open Session at 7:50 pm.

It was moved by Richardson and seconded by Long to approve the memorandum of agreement with The Dalles Police Association implementing a 36-hour workweek pilot policy for sworn police officers until June 30, 2025. The motion carried 5 to 0, Richardson, Long, McGlothlin, Randall, Runyon voting in favor; none opposed; none absent.

It was moved by Runyon and seconded by McGlothlin to approve a retention and recruitment adjustment for the remainder of the fiscal years 23/24 equaling a gross amount of \$127.42 per payroll for each full-time exempt employee. The motion carried 5 to 0, Runyon, McGlothlin, Long, Randall, Runyon voting in favor; none opposed; none absent.

Long noted the discussion during executive session was to approve this because there had been a huge increase in the insurance premiums for people after the regular budgeting process and they wanted to be able to retain and recruit excellent City employees.

It was moved by McGlothlin and seconded by Long to approve a retention and recruitment adjustment for the remainder of the fiscal years 23/24 equaling a gross amount of \$127.42 per payroll for each full-time staff represented by SEIU barring and object from said union. The motion carried 5 to 0, McGlothlin, Long, Randall, Runyon, Richardson voting in favor; none opposed; none absent.

It was moved by Long and seconded by Richardson to approve a retention and recruitment adjustment for the remainder of the fiscal years 23/24 equaling a gross amount of \$127.42 per payroll for each full-time staff represented by The Dalles Police Association barring and object from said union. The motion carried 5 to 0, Long, Richardson, Runyon, McGlothlin, Randall voting in favor; none opposed; none absent.

ADJOURNMENT

Being no further business, the meeting adjourned at 7:54 pm.

Submitted by/Amie Ell, City Clerk

ATTEST:

SIGNED: _____

Richard A. Mays, Mayor

Amie Ell, City Clerk

The Dalles Little League

P.O. Box 810 • The Dalles, OR 97058
tdlittleleague@gmail.com

September 7, 2024

Dear Members of The Dalles City Council,

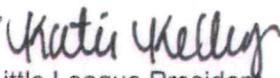
The Dalles Little League's mission is to inspire young athletes by fostering teamwork, sportsmanship, and personal growth through recreational youth baseball and softball. We're committed to providing a positive environment where every player can thrive. By building strong community ties and enhancing our facilities we strive to create lasting opportunities for our players and make a meaningful impact on our community.

The Dalles Little League is dedicated to enhancing the quality and safety of our playing fields and facilities. Our comprehensive plan, a collaboration with Wasco County, is designed to address both immediate needs and long-term goals, ensuring a top-notch experience for our players and the community. This plan includes detailed maintenance schedules, capital projects, and strategic improvements at Kramer Field to maintain and enhance our facilities effectively. The Dalles Little League, and other Kramer Field user groups, have greatly benefited from the new partnership with Wasco County because of their dedication of resources. Wasco County truly stepped up and hit it out of the park for us this year.

The historical arrangement of Northern Wasco County Parks & Recreation District having responsibility at Kramer Field ended when they opted out in August 2023. Northern Wasco County Parks & Recreation District received dedicated financial support for the maintenance and operational responsibility of Kramer Field from Transient Room Tax (TRT) dollars. Due to current ordinance language, this funding is still allocated to NWCPRD while they have stepped away from Kramer Field responsibilities. The Dalles Little League respectfully agrees with the proposal to remove project-specific and entity-specific mandatory allocations of TRT dollars of TDMC Chapter 8.04.

Beyond a recreational regular season which hosts games with out-of-town teams, The Dalles Little League is slated to host a 50-team district all-star baseball and softball tournament in our 2025 tournament season. The Dalles Little League collaborates with other baseball and softball organizations locally which also intend to host tournaments at Kramer Field. These tournaments will bring 10 or more out-of-town teams for the weekend, or longer double-elimination tournaments, several times per year. Families will sleep, shop and eat in our community. Our volunteer-driven league will continue to have an impact on tourism in The Dalles. The continued partnership with Wasco County at Kramer Field has the potential to make a significant impact on tourism in The Dalles.

It is the hope of The Dalles Little League that the TRT ordinance revision will allow for dollars historically slated for maintenance and improvements of Kramer Field to continue to support Kramer Field.

Respectfully,
Katie Kelley 
The Dalles Little League President



September 23, 2024

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

Re: 2024 City Code Amendments for Short Term Rentals

Dear City Council,

We are residents within a low-density residential zone of The Dalles, which we selected in part for the minimal noises and congestion in such a neighborhood. We have previously spoken with you regarding the problems created by the high concentration and lax management of short-term rental properties in our neighborhood. The short-term rental properties creating the most problems in our neighborhood are all owned by limited liability companies based in Portland. To the best of our knowledge, there are no on-site managers or long-term residents at these properties.

We appreciate your review of potential City code amendments in order to improve the current short-term rental problems in our community. We have reviewed the staff report to the Council by Community Development Director Joshua Chandler, dated July 22, 2024, and the related Analysis and Policy Recommendations from MIG, dated July 3, 2024.

First, we request that you extend the current moratorium on the City issuing licenses for short-term rentals for an additional six months. Such an extension would provide the City with time to seek and gather community input on this matter. To date we know of only one such outreach event by City officials, when Mayor Mays spoke at a neighborhood gathering in July.

Second, we request that you limit the total number of short-term rental licenses issued by the City and further place a prohibition on licensing of a new short-term rental that is within a one thousand foot radius of an existing short-term rental property. The high concentration of multiple short-term rental properties presently in our neighborhood – some of which are marketed by the owners as “The Scenic Series”¹ – has consumed available parking spaces and resulted in unacceptable noise levels.

Third, we request that you publish a list of the addresses for all short-term rental properties in The Dalles, their managers, and the managers’ current telephone numbers. Presently, due to the limited notification to neighbors who live a mere one hundred feet away from a short-term rental property, neighbors who live one hundred twenty feet away from an offending short-term rental have no information for how to notify the manager of the offending property.

¹ See, for example: https://www.airbnb.com/rooms/705755151662945069?check_in=2024-10-22&check_out=2024-10-27&guests=1&adults=1&s=67&unique_share_id=41b4bca4-2b2d-45a3-ba72-730b408a2dfa This property advertises, “Scenic Series- Looking to host a larger group? Check out Pano Gorge Views with a connecting gate for access to larger groups.” See also: https://www.airbnb.com/rooms/48103819?check_in=2024-10-22&check_out=2024-10-27&guests=1&adults=1&s=67&unique_share_id=204dcbe9-1e91-4c96-9a71-543dc7837465 This property advertises, “Our Scenic series homes give guest the opportunity to book more than one home in the same vicinity and all walking distance for larger gatherings. Please see our other listings or directly inquire for more details.”

Fourth, we request that you amend the City code to require notification to all neighbors within a one thousand foot radius that the City has licensed a short-term rental property. We request that the notification to neighbors include an active phone number for the manager and that the manager be required to respond to the problem within one hour.

Fifth, we request that the City fund and implement some type of 24-hour accessible resource to respond promptly to problems arising at short-term rental properties. The existing reporting structure for complainants outlined in ordinance 8.02.110 is impractical and unrealistic. The reasons include (1) the codes enforcement officers work only during daytime hours; (2) many noise, crowding, behavior, and parking problems emanating from short-term rentals occur at night; and (3) by the time that the codes enforcement officers receive and respond to a written complaint, not only have the noise, crowding, behavior, or parking problems changed, but the short-term renters have also vacated the property. For the City to expect sworn police officers² to respond to every non-emergency noise, crowding, and parking problem at short-term rentals is a very expensive consumption of City resources. The City needs to develop a new pathway to receive and respond promptly to the problems that arise because of short-term rentals.

Sixth, we request that you amend the City code for Low-Density Residential Zones³ to change “Bed and Breakfast and Vacation Rentals” from an Accessory Use Permitted Outright to a Conditional Use. What we have shared with you about the various problems arising from the high concentration of short-term rentals in our neighborhood aligns with the purpose for making some property uses conditional; see ordinance 10.3.050.010. The conditional use permitting process would provide all community members with notice and an opportunity to be heard about their concerns before the Planning Commission.

Finally, we request that the City require **all** short-term rental properties, their owners, and their operators to comply with existing and future City ordinances. The City should not grant exemptions from compliance with amended or future ordinances based upon a property’s present operation as a short-term rental. The annual licensing requirement should involve deeper review, inspection, and enforcement by the City before any license is renewed. We request transparency by the City in its review, inspection, and enforcement of ordinances governing short-term rentals, much in the same manner as North Central Public Health publishes its reports of inspections of area hotels and restaurants⁴.

We appreciate your work to improve the quality of life for all residents of The Dalles.

Sincerely,


Sally Carpenter
PO Box 371
The Dalles, Oregon


Pat Matson
313 W. 20th Street
The Dalles, Oregon

² For example, see OAR Chapter 259, Division 8, for minimum training and certification requirements.

³ Ordinances 10.5.020.020 and 10.5.020.030.

⁴ <https://inspections.myhealthdepartment.com/or-north-central-public-health>

Sept 23, 2024

The Dalles City Council

313 Court St.

The Dalles, Oregon 97058

Re: Code Amendment for STR

Dear City Council Members,

I would first like to state that I agree with the letter sent to you from Sally Carpenter regarding the code amendments. She stated most of the points needing to be addressed by the council except for the parking and traffic safety. Joshua Chandler did cover that but not in detail. My understanding for parking spaces is that there is an allowance for one car per each guest room and that parking is on the property, not on the street. There is a maximum number of people allowed to occupy the STR home so this is an easy way to make sure that rule is enforced.

I wanted to emphasize that the concentration of STR fall in just a few areas. Within those areas are also long term rentals. This point needs to be addressed as the distance between STRs needs to be increased in order not to add to the density of rentals in general in one area. Sally Carpenter stated that distance between STRs be increased to 1000 ft. I would hope that the council considers expanding the distance between STR but consider the overall number of rentals before allowing more STR in an area.

STRs that are not owner occupied continue to pose a problem. The owner or manager is not present when guests arrive posing a safety issue. There have been instances where a guest has gone to the wrong address and has begun to unpack their car. Fortunately, the owners were at home. But how can we guard against this happening again? I, for instance as a senior resident, have a real problem if I were to come into a room in my home and find strangers there. Without the manager or owner being present to direct where they park and other rules guests need to follow, a number of problems could be avoided. Noise and partying continue even if they aren't allowed. We need to be more clear to what we expect from these owners that are using homes in a residential neighborhood for commercial use. Or should we not allow this in the first place?

I see that parties continue at one of the non owner occupied homes. Even though it's not allowed according to the city's ordinance as well as the rules stated by BnB's, this

particular owner, Steve Day, must feel that he is above the law. And he may rightly feel this way as we are going to grandfather his STRs as to not have him be subjected to new ordinances. If you were to ask every person who lives by his rentals or is affected by them if they believe this is fair, you would get a resounding NO.

Please extend the moratorium for another 6 months so we can work out more of these issues.

Thank you for your time,

Jann Oldenburg

2151 Radio Way

The Dalles, Or 97058



AGENDA STAFF REPORT

AGENDA LOCATION: Item #10A

MEETING DATE: October 14, 2024

TO: Honorable Mayor and City Council

FROM: Joshua Chandler
Community Development Director

ISSUE: Adoption of General Ordinance No. 24-1407, a general ordinance amending The Dalles Municipal Code Chapter 8.02 (*Short-Term Rental License*)

BACKGROUND: Following a series of City Council discussions in May and October 2023, as well as a recent discussion on July 22, 2024, regarding the management and regulation of the City’s Short-Term Rental (STR) Ordinance, Staff is following through on Council’s direction to implement various amendments to the City’s STR program. The amendments presented in this proposed Ordinance mark the first revisions to the STR program since its inception through Council’s adoption of General Ordinance Nos. 20-1377 and 20-1383 in late 2020. The motivation for these discussions arises from a growing recognition of community concerns regarding nuisances associated with STRs, particularly in residentially zoned neighborhoods.

Despite the low volume of formal complaints regarding STRs, community feedback has highlighted persistent issues—notably, noise disturbances and parking challenges linked to STRs in residential zoning districts. In addition to those nuisance complaints, Staff identified operational challenges, including instances of non-responsive operators and discrepancies in operator reporting and remittance of the City’s transient room/lodging tax (TLT). Both Councilors and community residents raised concerns regarding the broader impact of STRs on the availability of housing within the city.

From an enforcement perspective, the City’s Police Department reported minimal complaints related to STRs, and indicates most perceived parking issues stem from otherwise legal parking and there have been no documented noise complaints from STR

operations in over two years. The Police Department treats STRs with the same level of scrutiny as any other accommodation (such as hotels or bed and breakfasts) and further confirm they remain committed to addressing any reported concerns, regardless of whether the property in question is an STR.

This Staff Report aims to synthesize the rationale for the proposed amendments, reflect the concerns raised by the community, and evaluate the existing enforcement measures surrounding STR operations in The Dalles to ultimately provide a well-rounded perspective on the future of the STR program.

During the October 23, 2023, meeting, Staff discussed various topics related to the STR program, including the reclassification of STR types and the potential need to limit their numbers. Council expressed interest in establishing a moratorium on new non-owner-occupied STRs in residential zones to allow for a comprehensive program review. In November 2023, Council adopted Resolution No. 23-039, which enacted a one-year moratorium on such STRs (effective until November 26, 2024). The goal of that moratorium was to address voiced concerns about the lack of on-site management for non-owner-occupied STRs, which often require additional oversight due to their business-like nature, and most community concerns raised over this last year were related to these non-owner-occupied units.

Overall, the impact of the moratorium may have stagnated the lack of growth in the STR program, with a drop from **51 units in October 2023** to **47 units in October 2024**; however, a complete list of all inquiries into new non-owner occupied units was not monitored since the moratorium was adopted. Rather, Staff would attribute that drop in STR numbers to natural attrition in the program, with some previously licensed/permitted accommodations no longer interested in participating in the program; however, new licenses have been approved since September 2024. Currently, 33 of the 47 STRs are non-owner-occupied units—that figure includes both licensed STRs and existing permitted Bed and Breakfast and Vacation Rentals (**BBV**). Of the 47 STRs, 40 units are located in residential zoning districts, 26 units of which are non-owner-occupied.

With assistance from planning consultant MIG, Staff analyzed some potential permanent changes to the STR program using case studies from comparable Oregon cities, offering recommendations for potential code revisions, and STRs impact on housing affordability (discussed in detail during Council’s July 22, 2024, meeting). That work identified two key mechanisms affecting housing: (1) conversion of long-term rentals to STRs and (2) bid price escalation, which can increase rents and home prices. Studies suggest that cities with restrictions on STR numbers can help mitigate those affordability impacts, especially in areas with high STR density.

Recent Council discussions, particularly at its June 10, 2024, meeting, focused on the role of TLT and proposed visions for balancing tourism with local needs, emphasizing the importance of limiting STRs to support businesses while maintaining housing and industry. Councilors expressed a desire to control STR growth to avoid challenges faced by other Oregon communities, perhaps most notably Hood River. Council indicated any changes to the STR program should mainly affect new accommodations and allow existing ones to continue operating as approved.

Staff considered a potential restriction on non-owner-occupied STRs in alignment with the current moratorium; however, recent litigation in the case of *Panabaker v. City of Hood River* led to refraining from this potential requirement due to constitutional concerns regarding discrimination against out-of-state actors in violation of federal law.

Proposed Amendment Topics:

Following Council’s discussions on the STR program, Staff conducted a thorough review of the existing ordinance, compiling a set of edits/redlines attached to and made part of General Ordinance No. 24-1407 as its **Exhibit 1**. The proposed amendments aim to enhance our citizens’ livability while balancing the role STRs serve in our community. Key revisions include:

- **Imposing a maximum license cap.** The City does not currently impose a limit on the maximum number of STR licenses it issues. This proposed addition to the Ordinance considers limiting the total number of STR licenses issued annually to an amount not exceeding 1% of the City’s total housing unit inventory (as determined by the City’s Housing Needs Analysis). As detailed in the 2023 Housing Needs Analysis, the proposed current limit is 71 total listings; for reference, there are 45 STRs currently licensed within the city limits.
- **Implementing a lottery system for awarding licenses.** After accounting for all annual license renewals, the City is exploring implementing a lottery system to select new licenses. Once a license applicant is selected from the pool of applicants, this proposed addition to the Ordinance requires that selected applicants submit all applicable fees within a set-time after selection, or forfeit their place on the lottery list for that license year.
- **Ensuring existing licensees are current on their transient room/lodging tax obligations.** The City, like nearly all Oregon cities, imposes a transient room/lodging tax on the occupancy of all STRs. The City’s transient room/lodging tax regulations can be found in The Dalles Municipal Code Chapter 8.04. These proposed revisions would improve licensee accountability by ensuring the public is made whole for the impacts associated with transient lodging before the City considers approving a new or renewed STR license application.
- **Adding a minimum proximity requirement for new STRs in residential zones.** The City maintains many zoning districts and each district is subject to unique regulations to support the City’s orderly planning. This proposed addition would prohibit new licenses from being issued to applicants intending on operating a STR within 300 feet from a licensed STR already operating in the Low Density Residential, Medium Density Residential, and High Density Residential zoning districts.
- **Expanding yard screening requirements.** The City currently requires licensees to install screening if their STR shares a yard or common area with a neighboring property. This proposed amendment would expand that requirement to screen yards that abut unscreened neighboring yards to mitigate the impacts from STR operation on neighborhood livability.

- **Allowing “special events” to be held at STRs in non-residential zones.** The City currently prohibits special events (e.g., weddings and wedding receptions, corporate events, commercial functions, etc.) at all STRs. This proposed amendment would lift that restriction in all non-residential zoning districts in an effort to direct potential STR guests to those non-residentially zoned districts for larger events where the impacts of the event have less chance to disrupt neighborhood livability.
- **Requiring acknowledgment of “Good Neighbor Guidelines”.** Good Neighbor Guidelines are intended to educate STR operators and guests of some general neighborhood respect principles (i.e., noise levels, parking and traffic safety, garbage disposal, etc.). This proposed addition requires applicants to acknowledge receipt of those guidelines and requires licensees to provide those guidelines to their STR guests.
- **Minimum Parking Requirements.** The City currently allows one-bedroom STRs an exemption from the City’s minimum parking requirements. This proposed amendment requires all STRs provide no less than one parking space per each guest room offered in an effort to reduce parking impacts on surrounding neighborhoods.
- **Residency Requirements.** The City currently requires multiple forms of identification at the time of STR licensing for purposes of determining primary residency of each operator although owner-occupancy has never been a requirement for obtaining a license. Following discussions with Council, owner-occupancy status will continue to not be a requirement with this proposed amendment; therefore, recommending removal of residency identification requirements at the time of licensing or renewal.

Notifications:

On September 13, 2024, Staff provided all current STR and BBV operators a list of the key revisions referenced above, and posted that list on the City’s website and Facebook page. In addition, on October 3, 2024, Staff mailed the revisions to many of the community members who have spoken at Council meetings in the last two years concerning STR operations, encouraging their comments and participation at tonight’s Council meeting.

As of the date this report was published, no comments were received by the Community Development Department concerning these revisions; however, Staff has included previous comments received in the last two years concerning STRs included as **Attachment 1** of this Staff Report.

BUDGET IMPLICATIONS: None.

COUNCIL ALTERNATIVES:

1. **Staff recommendation:** *Move to adopt General Ordinance No. 24-1407, by title only, as presented.*

2. Make minor modifications to then move to adopt General Ordinance No. 24-1407, by title only, as amended.
3. Make substantive amendments to then move to direct Staff to bring General Ordinance No. 24-1407 back for a second reading at a future Council meeting.
4. Decline formal action and provide Staff additional direction.

ATTACHMENTS:

- **Attachment 1:** Neighborhood comments received: May 2023 to present

September 23, 2024

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

Re: 2024 City Code Amendments for Short Term Rentals

Dear City Council,

We are residents within a low-density residential zone of The Dalles, which we selected in part for the minimal noises and congestion in such a neighborhood. We have previously spoken with you regarding the problems created by the high concentration and lax management of short-term rental properties in our neighborhood. The short-term rental properties creating the most problems in our neighborhood are all owned by limited liability companies based in Portland. To the best of our knowledge, there are no on-site managers or long-term residents at these properties.

We appreciate your review of potential City code amendments in order to improve the current short-term rental problems in our community. We have reviewed the staff report to the Council by Community Development Director Joshua Chandler, dated July 22, 2024, and the related Analysis and Policy Recommendations from MIG, dated July 3, 2024.

First, we request that you extend the current moratorium on the City issuing licenses for short-term rentals for an additional six months. Such an extension would provide the City with time to seek and gather community input on this matter. To date we know of only one such outreach event by City officials, when Mayor Mays spoke at a neighborhood gathering in July.

Second, we request that you limit the total number of short-term rental licenses issued by the City and further place a prohibition on licensing of a new short-term rental that is within a one thousand foot radius of an existing short-term rental property. The high concentration of multiple short-term rental properties presently in our neighborhood – some of which are marketed by the owners as “The Scenic Series”¹ – has consumed available parking spaces and resulted in unacceptable noise levels.

Third, we request that you publish a list of the addresses for all short-term rental properties in The Dalles, their managers, and the managers’ current telephone numbers. Presently, due to the limited notification to neighbors who live a mere one hundred feet away from a short-term rental property, neighbors who live one hundred twenty feet away from an offending short-term rental have no information for how to notify the manager of the offending property.

¹ See, for example: https://www.airbnb.com/rooms/705755151662945069?check_in=2024-10-22&check_out=2024-10-27&guests=1&adults=1&s=67&unique_share_id=41b4bca4-2b2d-45a3-ba72-730b408a2dfa This property advertises, “Scenic Series- Looking to host a larger group? Check out Pano Gorge Views with a connecting gate for access to larger groups.” See also: https://www.airbnb.com/rooms/48103819?check_in=2024-10-22&check_out=2024-10-27&guests=1&adults=1&s=67&unique_share_id=204dcbe9-1e91-4c96-9a71-543dc7837465 This property advertises, “Our Scenic series homes give guest the opportunity to book more than one home in the same vicinity and all walking distance for larger gatherings. Please see our other listings or directly inquire for more details.”

Fourth, we request that you amend the City code to require notification to all neighbors within a one thousand foot radius that the City has licensed a short-term rental property. We request that the notification to neighbors include an active phone number for the manager and that the manager be required to respond to the problem within one hour.

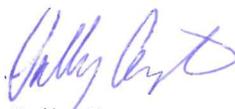
Fifth, we request that the City fund and implement some type of 24-hour accessible resource to respond promptly to problems arising at short-term rental properties. The existing reporting structure for complainants outlined in ordinance 8.02.110 is impractical and unrealistic. The reasons include (1) the codes enforcement officers work only during daytime hours; (2) many noise, crowding, behavior, and parking problems emanating from short-term rentals occur at night; and (3) by the time that the codes enforcement officers receive and respond to a written complaint, not only have the noise, crowding, behavior, or parking problems changed, but the short-term renters have also vacated the property. For the City to expect sworn police officers² to respond to every non-emergency noise, crowding, and parking problem at short-term rentals is a very expensive consumption of City resources. The City needs to develop a new pathway to receive and respond promptly to the problems that arise because of short-term rentals.

Sixth, we request that you amend the City code for Low-Density Residential Zones³ to change “Bed and Breakfast and Vacation Rentals” from an Accessory Use Permitted Outright to a Conditional Use. What we have shared with you about the various problems arising from the high concentration of short-term rentals in our neighborhood aligns with the purpose for making some property uses conditional; see ordinance 10.3.050.010. The conditional use permitting process would provide all community members with notice and an opportunity to be heard about their concerns before the Planning Commission.

Finally, we request that the City require **all** short-term rental properties, their owners, and their operators to comply with existing and future City ordinances. The City should not grant exemptions from compliance with amended or future ordinances based upon a property’s present operation as a short-term rental. The annual licensing requirement should involve deeper review, inspection, and enforcement by the City before any license is renewed. We request transparency by the City in its review, inspection, and enforcement of ordinances governing short-term rentals, much in the same manner as North Central Public Health publishes its reports of inspections of area hotels and restaurants⁴.

We appreciate your work to improve the quality of life for all residents of The Dalles.

Sincerely,


Sally Carpenter
PO Box 371
The Dalles, Oregon


Pat Matson
313 W. 20th Street
The Dalles, Oregon

² For example, see OAR Chapter 259, Division 8, for minimum training and certification requirements.

³ Ordinances 10.5.020.020 and 10.5.020.030.

⁴ <https://inspections.myhealthdepartment.com/or-north-central-public-health>

Sept 23, 2024

The Dalles City Council

313 Court St.

The Dalles, Oregon 97058

Re: Code Amendment for STR

Dear City Council Members,

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particular owner, Steve Day, must feel that he is above the law. And he may rightly feel this way as we are going to grandfather his STRs as to not have him be subjected to new ordinances. If you were to ask every person who lives by his rentals or is affected by them if they believe this is fair, you would get a resounding NO.

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Thank you for your time,

Jann Oldenburg

2151 Radio Way

The Dalles, Or 97058

Joshua Chandler

From: Rhonda J. O'Brien <Rhonda.J.O'Brien@centene.com>
Sent: Thursday, August 15, 2024 3:01 PM
To: cityinfo; Joshua Chandler; Amie Ell
Cc: Rhonda O'Brien
Subject: Short Term Rental input for The Dalles

Follow Up Flag: Follow up
Flag Status: Flagged

WARNING: Email from external source. Links and attachments could pose security risks. Investigate sender and think before you click.

Dear City of The Dalles Officials, Councilman/women, and planning department,

I just finished listening to the city council meeting from July 22nd 2024 and the lengthy discussion surrounding short term rentals. I wanted to provide my personal thoughts and feedback on this topic and give you a “non-owner occupied” view.

I am not what I would call an “investor”, however I would consider myself someone who is attempting to make wise financial decisions for the future of myself and family.

My name is Rhonda O’Brien (Radcliffe) and was born and raised in The Dalles, I went to nursing school at CGCC and have owned a few properties in Wasco county over the years... However, in 2012 our family moved to Apache Junction, Arizona where we still reside. My extended family still lives in The Dalles and surrounding areas so we visit my home town often. It is always a struggle when I go back “home” to find a place to stay, sometimes it is convenient to stay with family other times that isn’t possible. We have utilized short term rentals (AirBNB’s) in The Dalles twice now and have found that to be a great solution to our lodging needs when we visit TD.

An opportunity has recently come to light for me to purchase a 2nd home in The Dalles that my grandmother owns, prior to her, this home was owned by my Great Grandparents, and although the date isn’t precise this home in East The Dalles has been in our family since about 1954 ish. I do not have the need/desire to move back to The Dalles full time to own occupy this home, however when I come to visit 2-6 times per year depending on the chaos it would be wonderful to have a safe nice place to stay while visiting family and spending money throughout the community. Also, as my parents age in The Dalles I know my travel to TD will become more and more frequent to provide them support. Not to mention keeping this home in our family and having a place for my children to always “return to their roots”

Logically, I am looking at my options for making this home either a STR with AirBNB type platform or I have also considered offering it for rent on the MCMC (Adventist) marketplace or with MCMC HR as a short-term rental for travel MD/Nurses/Therapist Etc.

Because I will only be occupying this house 2-6 weeks throughout the year initially it does not make sense financially for me to purchase this home if I can’t make it a short term rental to cover the cost of my expenses.

I share this information with you because it was noted a couple times during the meeting that the city has not been keeping track of inquiries regarding STR. I will say that when I did call the city to ask questions I spoke with Amy and she was very kind and helpful in assisting me in finding all the data on the website about this hot topic.

As councilman Runyon brought up, a one hour response time would pose a challenge for some, however I do understand the need for communication. Can anyone provide a situation/scenario where an 1 hour response time would be of benefit to anyone involved. Anything that urgent would be deferred to FIRE/EMS/POLICE regardless if I was in the area or not. Unless I am just not thinking of all the possible scenarios that could happen. Even if I lived on site and went to Fred Myers I could be unavailable for more than one hour.

Offering a co-host or secondary contact would be a great idea, however I would propose to make this a 4 hour response window, or something beyond the time span it takes to sing happy birthday or have a dinner date.

I appreciate the thought and discussion regarding this topic and will be tuning in the future to stay up to date on the discussions. I hope that sharing my situation sheds some light from my view that not all people that own a short term rental in The Dalles are doing it for the sole purpose of greed or profit.

Meanwhile, with the moratorium in effect it is a greater gamble whether I should make this purchase or not.

Rhonda O'Brien RN, CCM

Supervisor, Appeals
UM Health Support Ops



Apache Junction, Arizona
Preferred Contact – Teams
rhonda.j.obrien@centene.com | centene.com

***Transforming the health of the community,
one person at a time***

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

May 22, 2023

Dear City Council,

At your last meeting, my neighbors and I shared with you the various ongoing and unexpected problems that have arisen from the spread of short-term rental properties in our neighborhood that is zoned as Low Density Residential. Based upon comments at the meeting, I need to ensure that you understand my reason for sharing these problems with you. My reason is to provide a basis for my request that the City take action by (1) amending the City code, and (2) altering the allocation of City funds.

My family did not sign up to live next to a Motel 6 or Holiday Inn. We chose to live in a Low Density Residential zone so as to avoid the traffic, noise, crime, and crowds found near transient lodging facilities. However, our neighborhood now has multiple transient lodging facilities that are marketed on internet sites such as Airbnb.com. Unlike a Holiday Inn, the transient lodging facilities – meaning the short term rental properties – in our neighborhood have no discernable on-site manager to address promptly the concerns that inevitably arise, such as noise, trash, traffic, crime, parking, and crude behavior.

Because the properties at issue are used as short-term rentals, the problems generated by these properties usually last for one to two days at a time before the renters vacate. That short duration means that, by the time I were to contact the City’s codes enforcement officer via email about a problem with a short-term rental and that officer were to respond to the incident location (which historically requires one or two business days), the renters who caused the specific problems would have already vacated. As a result, the instruction by your staff at the Council’s meeting on May 8, 2023, that my neighbors and I submit our problems to the codes enforcement officer in writing¹, would result in wasted time and resources.

Although most of the short term renters stay for a duration of one or two days at a time, there are distinct recurring problems that my neighbors and I have previously shared with you. The problems have not stopped and continue to infringe upon my ability to enjoy my own property peacefully.

Examples of the crowding and traffic problems:

¹ Based upon City code 8.02.110.

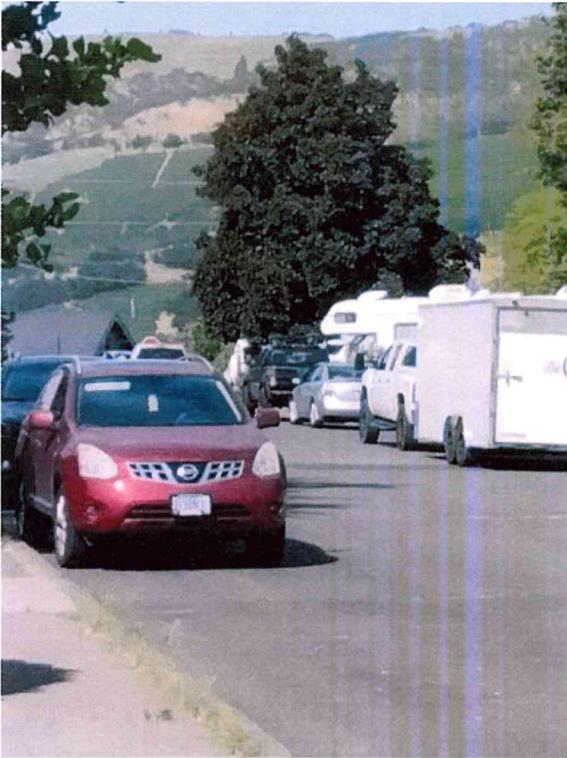


Photo from the morning of Sunday May 21, 2023. The photo shows West 20th Street in The Dalles, looking westward, as well as the vehicles parked along both shoulders of the street. This portion of West 20th Street is a two-lane cul-de-sac and is within a Low Density Residential zone. Several of the vehicles belonged to the short-term renters at 322 West 20th Street. The street cannot safely sustain two-way traffic with this level of congestion, especially if emergency vehicles need to respond to this location.



Photos from the morning of Sunday April 16, 2023. The photos show West 20th Street in The Dalles, looking westward, as well as the bus parked along the eastbound shoulder of the street. The bus belonged to the short terms renters at 322 West 20th Street and was ultimately loaded that morning with about two dozen kids and adults from 322 West 20th Street.

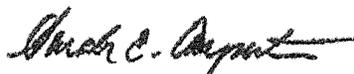
The noise emanating from the short-term rental properties has become the most frequent problem. The public notice provision of City code 8.02.090² is inadequate to address noise problems. The reasons are that City code 8.02.090 only requires the City to provide notice to property owners within 100 feet of the short-term rental property. The sounds of screaming kids, raucous gatherings, hot tub cocktail parties, and dance music always radiate more than 100 feet away. For a neighbor like me, who lives more than 100 feet from the short-term rental party house at 300 West Scenic Drive, there is currently no requirement for the City to notify me about who operates the offending short-term rental. As a result, the stated purpose of City code 8.02.090 fails each time I am subjected to the emanations of 300 West Scenic Drive.

Bad actors have no difficulty in determining which properties are short-term rentals and whether those properties are vacant. The burglary last year of the short-term rental at 300 West Scenic Drive was the incident that prompted my own vigilance about property crimes in our neighborhood. I request you contact our police department to learn more about that specific incident.

To protect our City's livability and deter criminals in our community, I request the Council to take action by (1) amending the City code, and (2) changing the allocation of City funds. Specifically, I respectfully request the Council to:

- (1) Establish a minimum period of stay of 30 days in any short-term rental property sited in a Low Density Residential zone. In addition, set a maximum number of total rental contracts that may be formed per year for any short-term rental property sited in a Low Density Residential zone.
- (2) Require a person who owns or operates a short-term rental property sited in a Low Density Residential zone to reside on the premises being rented.
- (3) Establish a limit for how many short-term rental licenses the City will grant per year in Low Density Residential zones. Maintain the licensing provisions of City code 8.02.030. Establish a lottery to determine which licenses will be extended each year. Establish benchmarks which each property must meet before having its license renewed.
- (4) Change short-term rentals from being an accessory use to being a conditional use within a Low Density Residential zone. Ensure the City notifies all neighbors within a ½ mile radius about each conditional-use application and subsequent hearing.
- (5) Fund increased police patrols in neighborhoods with short-term rental properties. Increase the transient lodging tax to fund the increased police patrols.
- (6) Amend City code 8.02.090 to include mandatory notification to **all** neighbors – both property owners **and** long-term renters – who live within at least 1000 feet of a short-term rental property.
- (7) Evaluate making each of the above actions apply to all residential zones.

Sincerely,



Sarah E. "Sally" Carpenter
PO Box 371
The Dalles, Oregon 97058

² City code 8.02.090, Public Notice: Within 10 days after the receipt of a complete initial application, or any change in operator, the City shall provide notice to all property owners within 100 feet of the subject property. The list of affected property owners shall be compiled from the most recent property tax assessment roll. Information on the notice shall include the following: operator contact information; license number; number of guest rooms; maximum guest occupancy; and contact information for the City's Code Enforcement Division. The purpose of this notice is to allow adjacent property owners and residents to contact the authorized operator to report and request resolution of problems associated with the operation of the short-term rental. If the authorized operator's contact information changes during the license period, the new information must be mailed or distributed again. (Ord. 20-1377)

From: [Matthew Klebes](#)
To: [Izetta E. Grossman](#)
Subject: FW:
Date: Wednesday, May 10, 2023 7:59:02 AM

FYI

[Matthew Klebes](#)
City Manager
City of The Dalles
313 Court Street
The Dalles, Oregon 97058
(541) 296-5481

PUBLIC RECORDS LAW DISCLOSURE:

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From: Joyce Overeem <outlook_5972CB5CECBC18E7@outlook.com>
Sent: Tuesday, May 9, 2023 9:34 PM
To: Matthew Klebes <mklebes@ci.the-dalles.or.us>
Subject:

WARNING: Email from external source. Links and attachments could pose security risks. Investigate sender and think before you click.

My husband and I live next to 303 West 20th street and behind 300 West Scenic Drive. These properties have been a noise nuisance for quite some time. The pool house at 300 West Scenic Drive has a sound system that's created a Disco/Roadhouse atmosphere almost every weekend. The THUMP, THUMP, THUMP, BOOM, BOOM, BOOM bass can go on all weekend all day and into the night. My husband and I can hear the thundering sound system into our living room and bedroom. This noise prohibits us from enjoying our balcony and backyard, especially on the weekends. When we have complained to the Air B&B manager, she informs us that quiet hours are from 0700 to 1100 pm and it's just people laughing and dancing. Apparently, we have to just put up with it until 11:00 PM.

Also, there are parties, loud laughing and shouting that go on in the backyards late into the night on weekends. There is also a hot tub on the property line that is a source of noise during the night.

There are people tramping back and forth between the houses and all hours of the day and night causing my dog to bark. I have had to buy my dogs bark collars and tranquilize them to keep them from barking at the constant noise on the weekends when groups of people are wandering back and forth, day and night. There is a large tarp over the roof and in the backyard that flaps day and night that also creates a constant noise nuisance. The pool water treatment or circulating pumps gurgle all night disturbing our older dog.

We have enjoyed our lovely home since 2003. We have had good neighbors and beautiful views. We now have loud nuisance noises almost every weekend, strangers tramping around behind our property at all hours of the day and night. The owner of these Air B&Bs have asked us numerous times if they can buy our property. We would like to stay in our home, but we are becoming increasingly concerned about the noise and strange groups of people we have to tolerate every weekend.

I hope that the city can investigate the proliferation of short-term rentals in our neighborhood and create some ordinances to stop the deterioration of the quality of life in our neighborhood.

Sincerely Michael and Joyce Overeem

Sent from [Mail](#) for Windows

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

May 8, 2023

Dear City Council,

We are residents of The Dalles who live south of West 14th Street and west of Sorosis Park in a section of the city that is zoned as Low Density Residential.

Within areas zoned as Low Density Residential, the City permits outright the primary use of single family residences, such as our own. Within areas zoned as Low Density Residential, the City permits outright the accessory uses of “Bed and breakfast and vacation rentals, subject to the provisions of Article 6.040: Bed and Breakfast and Vacation Rentals.”¹

In the past several years, our neighborhood has devolved, unexpectedly, into a short-term rental haven. There has been a purchasing spree by shadow limited liability companies² of former single-family homes in our neighborhood. In turn, most of those companies have posted the properties on websites including Airbnb.com which advertise and broker these homes for short-term stays. To the best of our knowledge, no long-term residents live at these vacation rentals. Since the posting of these properties on websites like Airbnb.com, our neighborhood has experienced increased noise, decreased parking space, general crowding, increased traffic, increased criminal presence, lack of awareness of children playing in the neighborhood, and general disrespect for community norms. Additionally, we can no longer maintain any kind of Neighborhood Watch program because we can no longer discern short-term renters from trespassers and drug traffickers. Finally, our region is experiencing a long-term housing shortage driven, in part, by the prominence of short-term rentals. We have observed companies now buying properties that historically were owner-occupied single family residences. The result is that the number of owner-occupiers – folks who would otherwise have a personal stake in where they live – is dwindling. The number of single-family homes that are available for sale is so small as to squeeze a middle-class family with children out of our community.³

The City’s current zoning provisions are permissive of these short-term rental properties being located in Low Density Residential neighborhoods. The majority of the City’s code addressing short-term rentals is contained in Chapter 8.02, which really only addresses licensing and limiting the stay of guests to 30 days maximum.

In order to minimize or limit the multiple negative aspects of short-term rental activity in our zone, we propose the City to take the following actions:

¹ Per City Code 10.2.030, an accessory use is a use on the same lot with and of a nature customarily incidental and subordinate to the principal use.

² For example, according to the Wasco County Public Basemap (viewable at <https://public.co.wasco.or.us/gisportal/apps/webappviewer/index.html?id=80a942ec81da4dd2bcc16032cc329459>), the property at 303 West 20th Street is owned by “TD 303 W 20TH LLC.” The property at 322 West 20th Street is owned by “TD 322 W 20TH LLC.” The property at 300 West Scenic Drive is owned by “1121 SE LINCOLN LLC.” The property at 416 West Scenic is owned by “TD 416 W SCENIC LLC.” The property at 318 West 20th Street is owned by “TD 318 W 20TH LLC.”

³ See, for example, the United States Census Bureau data for Wasco County at <https://www.census.gov/quickfacts/fact/table/wascocountyoregon/INC110221#INC110221>

- (1) Establish a minimum period of stay of 30 days in any short-term rental property sited in a Low Density Residential zone. In addition, set a maximum number of total rental contracts that may be formed per year for any short-term rental property sited in a Low Density Residential zone.
- (2) Require a person who owns or operates a short-term rental property sited in a Low Density Residential zone to reside on the premises being rented.
- (3) Establish a limit for how many short-term rental licenses the City will grant per year in Low Density Residential zones. Maintain the licensing provisions of City Code 8.02.030. Establish a lottery to determine which licenses will be extended each year. Establish benchmarks which each property must meet before having its license renewed.
- (4) Change short-term rentals from being an accessory use to being a conditional use within a Low Density Residential zone. Ensure the City notifies all neighbors about each conditional-use application and subsequent hearing.
- (5) Fund increased police patrols in neighborhoods with short-term rental properties.
- (6) Evaluate making each of the above actions apply to all residential zones.

Our greatest concerns are community safety, affordable housing, and maintaining the livability and family-friendly nature of our city. We encourage all city residents to share in these concerns.

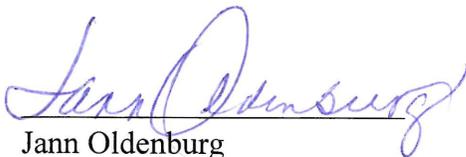
Sincerely,



Sarah E. "Sally" Carpenter
PO Box 371
The Dalles, Oregon 97058



Wendy Wilson
PO Box 371
The Dalles, Oregon 97058



Jann Oldenburg
2151 Radio Way
The Dalles, Oregon 97058



Carol Earl
420 West Scenic Drive
The Dalles, Oregon 97058

GENERAL ORDINANCE NO. 24-1407

**AN ORDINANCE AMENDING
THE DALLES MUNICIPAL CODE
CHAPTER 8.02 (SHORT-TERM RENTAL LICENSES)**

WHEREAS, the City regulates the transient rental of dwelling units and rooms within the City’s corporate limits pursuant to the provisions of The Dalles Municipal Code (TDMC) Chapter 8.02 (*Short-Term Rental Licenses*);

WHEREAS, recent community feedback, staff administration enhancements, and legal sufficiency review support the City’s amendment to certain provisions of TDMC Chapter 8.02;

WHEREAS, at its October 14, 2024, meeting, the City Council considered proposed amendments to the provisions of TDMC Chapter 8.02 as part of an involved and public discussion; and

WHEREAS, the City Council finds the amendments adopted pursuant to this Ordinance to support the City’s interests and preserve and protect the public health, safety, and welfare.

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

Section 1 A redline comparison copy of the amendments implemented by this Ordinance’s **Section 2** are attached to and made part of this Ordinance as its **Exhibit 1**.

Section 2 The Dalles Municipal Code – **Title 8 (Business), Chapter 8.02 (Short-Term Rental License)**, shall be revised to read:

Sections:

- 8.02.010 Purpose.**
- 8.02.020 Definitions.**
- 8.02.030 Licenses.**
- 8.02.040 General Requirements.**
- 8.02.050 License Requirements.**
- 8.02.060 Food Services.**
- 8.02.070 Review Procedures.**
- 8.02.080 Fees.**
- 8.02.090 Public Notice.**
- 8.02.100 Existing Nonconforming Short-Term Rentals.**
- 8.02.110 Complaints Regarding Operation.**
- 8.02.120 Violation.**
- 8.02.130 Revocation.**

**Chapter 8.02
SHORT-TERM RENTAL LICENSES**

8.02.010. Purpose.

This Chapter is intended to authorize, regulate, and govern the transient rental of dwelling units or rooms on property within the City of The Dalles. These standards and requirements shall be in addition to other requirements of The Dalles Municipal Code (including TDMC Chapter 8.04's regulations concerning the City's transient lodging tax) and all other applicable Oregon and federal laws and regulations.

8.02.020. Definitions.

As used in this Chapter, except where the context indicates otherwise, the following terms shall mean:

- A. "Council" means the City Council of the City of The Dalles;
- B. "City" means the City of The Dalles, a municipal corporation of the State of Oregon.
- C. "Department" means the City's Community Development Department;
- D. "Director" means the City's Community Development Director;
- E. "License" means a license to operate a short-term rental issued by the City;
- F. "Person" means any individual, firm, partnership, joint venture, limited liability company, corporation, limited liability partnership, association, host, social club, fraternal organization, fraternity, sorority, public or private dormitory, joint stock company, estate, trust, business trust, receiver, trustee, syndicate, or any other group or combination acting as a unit;
- G. "Operator" means the person who is the proprietor of a short-term rental in any capacity;
- H. "Short-term rental" means all accommodations with duration of 30 consecutive days or less;
- I. "TDMC" means The Dalles Municipal Code; and
- J. "Transient" means the renting of a dwelling unit or rooms for compensation on less than a month-to-month basis.

8.02.030. Licenses.

- A. Annual License Required. Prior to using any dwelling unit as a short-term rental, the operator of any short-term rental must possess an approved license for each short-term rental they operate. Licenses are valid for the calendar year beginning January 1 and ending December 31. Partial year licensing or prorated licensing fees will not be granted at the time of licensing or license renewal. Licenses shall be non-transferable. Upon transfer of the real property where the short-term rental is located or transfer of the business owning and operating the short-term rental, any existing license held by a transferring operator becomes void and the new operator(s) must apply for a new license before continuing to operate the short-term rental.

- B. Maximum License Cap. The total number of licenses allowed each year shall not exceed one (1%) percent of the City's total housing unit inventory (as provided in the City's current Housing Needs Analysis) when rounded down to the next whole number.
- C. Annual Renewal Process. For license renewals each year, priority will be given to existing licenses seeking renewal so long as the renewal application is delivered to the Department by November 29 (or the next business day if November 29 falls on a day the City is closed). The Department will review each application to ensure each operator and the associated real property is in good-standing with the provisions of this and all other Chapters of The Dalles Municipal Code. All existing violations must be resolved prior to the issuance of a license or renewal of an existing license. If violations are not resolved by January 2, the existing short-term rental's license will be deemed void (and the short-term rental shall lose its status as an existing operation, including the provisions outlined in TDMC 8.02.100 below) and its operator shall be required to apply for a new license to continue using the real property as a short-term rental consistent with this Chapter.
- D. Lottery System. By January 2 (or the next business day if January 2 falls on a day the City is closed) and if additional licenses are available as established in TDMC 8.02.030(B) (after accounting for all license renewals), the City will select new licenses on a lottery basis consistent with the Department's administrative policy. Once an applicant is selected from the lottery list, that applicant will have 15 days to submit all applicable fees or forfeit their place on the lottery list, in which case a new applicant will be selected.
- E. Vicinity Requirements. Except as provided in TDMC 8.02.100(B), no short-term rental may be located within 300 feet from any other existing and licensed short-term rental within the Low Density Residential, Medium Density Residential, or High Density Residential zoning districts. For purposes of this subsection, distance is measured consistent with the Department's property notification process for land use and development applications.

8.02.040. General Requirements.

The following general requirements shall apply to all short-term rentals:

- A. License. A license shall be obtained by the operator prior to any transient rental of the property.
- B. Signs.
 - 1. *Residential Zones.* Signage shall be limited to one (1) four square foot flush sign affixed to the primary building. No off-premises signs are permitted.
 - 2. *Nonresidential Zones.* All signage normally allowed by the zone district in which the short-term rental is located shall be allowed.
- C. Length of Stay. The length of stay for guests is limited to 30 consecutive days.
- D. Transient Lodging Tax. Each facility shall be subject to payment of the City's transient lodging tax consistent with the provisions of TDMC Chapter 8.04. As part of the license renewal

process, the operator must provide the Department proof of currency with that property's transient lodging tax obligations. Failure to submit proof of past payment shall result in the denial of the current license; however, an operator may apply for re-licensing upon proof of such payment without incurring an additional license fee.

E. Health and Safety.

1. *Operator's Responsibilities.* It is the operator's responsibility to ensure the facility remains in compliance with this Chapter and all other provisions of The Dalles Municipal Code, with Oregon State Health, Safety, Building, and Fire Codes, and all applicable requirements of the Oregon Revised Statutes.
2. *Safety.* Prior to the issuance of a license, a completed safety checklist as described by Department administrative policy shall be required.

8.02.050. License Requirements.

Short-term rental licenses shall be issued when the following provisions have been met:

- A. Dwelling Unit. The facility is a dwelling unit (as defined by TDMC 10.2.030).
- B. No Modifications. The structure containing the facility retains the existing characteristics of the dwelling unit. No modifications to the structure will be permitted for the benefit of the accommodation's use except those modifications deemed necessary to accommodate current Americans with Disabilities Act requirements. The lot must be landscaped and maintained consistent with the standards imposed on the underlying zoning district by TDMC Title 10.
- C. Screening. The operator must take reasonable precautions to mitigate impacts to the surrounding neighborhood. All short-term rentals with shared yards, common areas, or yards abutting unscreened neighboring yards in the rear or side yards of the property must install or maintain privacy screening pursuant to TDMC 10.6.010.050. This requirement may be waived upon written approval of all adjoining property owners.
- D. Parking. For all short-term rentals, the residential off-street parking requirements of TDMC 10.7.060.010 must be met where the facility is also a primary residence. Except as provided in TDMC 8.02.100(B), all short-term rentals must provide at least one off-street parking space for each guest room.
 1. *Historic Resource Exemption.* Properties listed as a historic resource (whether locally, statewide, or federally) or properties eligible for historic designation per TDMC Chapter 11.12 may be granted an exemption from guest room parking requirements if the operator submits a historic resource parking exemption request and documentation confirming the historic significance of the property to the Department at the time of licensing. The Department will verify historic significance with the City's Historic Landmarks Coordinator. All properties not currently designated as an historic resource may be eligible for landmark designation following approval by the Historic Landmarks Commission pursuant to TDMC Chapter 11.12.
- E. Contact Information. All operators must provide the Department with current contact information. The contact person must be available to be contacted by a City representative

within 1 hour. Licensees shall notify the Department and submit appropriate documentation 10 calendar days prior to any change in operator, whether it be a permanent or temporary change.

- F. Nuisance Mitigation. All short-term rentals must comply with the provisions of The Dalles Municipal Code regulating and restricting noise, smoke, dust, litter, and odor.
- G. Solid Waste. Weekly solid waste disposal is required and the operator must provide the Department with proof of garbage service.
- H. Special Events. No “special events” shall be conducted at any short-term rental located within the Low Density Residential, Medium Density Residential, or High Density Residential zoning districts during periods of transient rental. “Special events” include, but are not limited to, weddings and wedding receptions, corporate events, commercial functions, and other gatherings that may require separate permits.
- I. Maximum Occupancy. The maximum number of occupants per facility shall be determined by the International Code Council. The International Code Council is a member-based association, dedicated to developing model codes and standards to be used by U.S. cities and global markets in the design and building process to construct safe, sustainable, affordable, and resilient structures. The maximum number of occupants shall be posted inside near the front door in a conspicuous place. Maximum occupancy is two persons per bedroom.

8.02.060. Food Services.

All short-term rentals proposing food services must obtain a food service license from the Oregon Department of Human Services and provide a copy of such license to the Department. Operators are encouraged to contact the North Central Public Health District for additional information on requirements for obtaining a food service license.

8.02.070. Review Procedures.

All operators shall provide the Department with the following information at the time of application submission or renewal:

- A. Completed Application. License applications shall be prepared by the Department and be available on the Department’s page of the City’s website.
- B. Site Plan. A site plan (drawn to scale) indicating the location and number of guest rooms, location of guest entrances and exits, and location of all off-street vehicle parking spaces.
- C. Checklist. A completed safety checklist as described by Department administrative policy.
- D. Transient Lodging Taxes. For new licenses only, a completed transient lodging tax registration form as described by TDMC 8.04.070. For license renewals, proof of the property’s currency with all outstanding TDMC Chapter 8.04 obligations.
- E. Solid Waste. Proof of weekly garbage service.
- F. Food Service License. Proof of a current approved food service license (if applicable).

- G. Screening. Completed privacy screening exemption form, signed by all adjoining property owners (if applicable).
- H. Historic Parking Exemption. Historic resource parking exemption request (if applicable).
- I. Fees. Submission of all required license fees as described in TDMC 8.02.080.

Upon submission of a completed application and associated materials, the Department shall make a determination concerning issuance of the license within 30 days.

8.02.080. Fees.

All short-term rental licensing fees shall be adopted by resolution of the Council. Annual licensing or renewal fees are based on a per guest room basis. For all short-term rentals offering four or more guest rooms, the operator will be charged a “whole house rental” fee. Whole house rental fees will be calculated at, and not to exceed, the cost of four guest rooms.

8.02.090. Public Notice.

Within 10 days after the receipt of a complete initial application, or any change in operator, the City shall provide notice to all property owners within 300 feet of the subject property. For purposes of this section, distance is measured consistent with the Department’s property notification process for land use and development applications. The list of affected property owners shall be compiled from the most recent property tax assessment roll. Information on the notice shall include the following: operator contact information; license number; number of guest rooms; maximum guest occupancy; and contact information for the City’s Code Enforcement Division. The purpose of this notice is to allow adjacent property owners and residents to contact the authorized operator to report and request resolution of problems associated with the operation of the short-term rental. If the authorized operator’s contact information changes during the license period, the new information must be mailed or distributed again.

8.02.100. Existing Nonconforming Short-Term Rentals.

- A. Bed and Breakfast and Vacation Rental Permit. Any short-term rental with a previously approved bed and breakfast and vacation rental permit operating within the five-year timeline established at the time of initial land use approval may continue their use as a short-term rental until the expiration date established with the associated bed and breakfast and vacation rental permit. Upon that expiration, the operator may only operate a short-term rental with a valid approved license issued pursuant to the provisions of this Chapter.
- B. Existing Short-Term Rental Licenses. Any existing short-term rental operating with a current and approved short-term rental license prior to December 1, 2024, is exempt from the provisions of this Chapter’s vicinity requirement (TDMC 8.02.030(E)) and parking requirements (TDMC 8.02.050(D)). However, in all cases where the facility is also a primary residence, the residential off-street parking standards of TDMC 10.7.060.010 are required.
- C. New Application Required. Any lapse in short-term rental licensure or any operational

ban of more than one calendar year shall result in the loss of all nonconforming status for any license and a new application and license shall be required to continue operation as a short-term rental.

8.02.110. Complaints Regarding Operation.

A complaint concerning the operational conduct of a short-term rental shall be in written form and clearly state the nature of the objection(s) to the facility. All complaints must be submitted to the City's Code Enforcement Division. Upon receipt of a written complaint, the complaint shall be investigated by the Codes Enforcement Officer to determine if any violations have occurred. If the complaint is determined to be meritorious, the Codes Enforcement Officer shall refer the matter to the City Attorney, which will result in the filing of a complaint in the municipal court.

8.02.120. Violations.

- A. Violations. Violation of any of the provisions of this Chapter is a violation punishable by a fine not to exceed the sum of \$250.00 for each violation thereof. Each day's violations of a provision of this Chapter shall constitute a separate offense.
- B. Operation Without License. If the Director becomes aware of a short-term rental operating without a current license, the Director or designee shall notify the operator or real property owner of their noncompliance with this Chapter's provisions and provide them 15 days to contact the Department to commence the license application process. The operator's failure to contact the Department within that 15-day timeline shall result in an additional late fee imposed on their application at the time of submittal and may also result in a temporary ban on short-term rental operations at that facility for up to one calendar year.

8.02.130. Revocation.

- A. Revocation. A license, once issued, may be revoked upon the following grounds:
 - 1. *Violation*. Evidence establishing the property's violation of any provision of The Dalles Municipal Code, including violations of this Chapter;
 - 2. *Health and Safety*. The operation of the short-term rental facility in a manner the Director or the City's Police Chief determines presents a danger to the public health, safety, and general welfare;
 - 3. *Fraud*. Fraud, misrepresentation, or incorrect statements contained in the license application, the conduct of the licensed accommodation, or with respect to any return remitted or failed to be remitted pursuant to TDMC Chapter 8.04;
 - 4. *Unavailability*. Absence or unavailability by operator for 24-hour contact with the City as described in TDMC 8.02.050(B);
 - 5. *Transient Lodging Tax Obligation*. Failure to register as an operator pursuant to TDMC 8.04.070 and pay any associated obligations imposed by TDMC Chapter 8.04; or
 - 6. *Multiple Violations*. The occurrence of three or more violation convictions within a

12-month period resulting in fines pursuant to TDMC 8.02.120.

- B. Notice of Revocation. If the City orders the revocation of an issued license on grounds pursuant to this subsection, notice of revocation shall be delivered to the licensee or its agent setting forth in writing the grounds thereof by the City Attorney. Notice shall be delivered either personally or by certified mail, return receipt requested, to the current address shown on the City’s records. The notice shall advise the operator of their right to file an appeal.
- C. Appeal to City Council. Any licensee aggrieved by the City’s revocation decision may appeal to the Council by filing a notice of appeal with the City Attorney within 10 calendar days of the delivery of the City’s decision. The City Attorney shall transmit the notice of appeal, together with the file of said appealed matter, to the Council, which shall fix a time and place for hearing such appeal. The Council shall give the appellant not less than 10 calendar days’ written notice of the time and place of hearing of said appealed matter. The appeal shall be treated as a contested case, and the Council shall have the authority to determine the applicable issues to be considered and what testimony and evidence is relevant. The Council’s decision shall be final when reduced to writing.

Section 3 This Ordinance shall be effective 30 days after adoption.

PASSED AND ADOPTED THIS 14TH DAY OF OCTOBER, 2024,

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

AND APPROVED BY THE MAYOR THIS 14TH DAY OF OCTOBER, 2024.

Richard A. Mays, Mayor

ATTEST:

Amie Ell, City Clerk

**EXHIBIT 1 to
GENERAL ORDINANCE NO. 24-1407**

**The Dalles Municipal Code Chapter 8.02
*Short-Term Rental Licenses***

8.02.010. Purpose.

This ~~Article Chapter~~ is intended to authorize, regulate, and ~~describes standards and requirements governing~~ the transient rental use of ~~all permitted residential~~ dwelling units or rooms on properties ~~property for short-term rental use~~ within the City of The Dalles ~~City Limits~~. These standards and requirements shall be in addition to other requirements of The Dalles Municipal City Code (including TDMC Chapter 8.04's regulations concerning the City's transient lodging tax) and all other applicable Oregon and federal laws and regulations ~~requirements and to Federal and State laws and regulations~~.

8.02.020. Definitions.

As used in this ~~chapter~~ Chapter, except where the context indicates otherwise, the following terms shall mean:

- A. “Council” means the City Council of the City of The Dalles;
- ~~A.~~B. “City” means the City of The Dalles, a municipal corporation of the State of Oregon.
- ~~B.~~C. “~~Department~~ Department” means the City’s Community Development ~~Department~~ Department of the City of The Dalles;
- ~~C.~~D. “Director” means the City’s Community Development Director ~~of the City of The Dalles~~;
- E. “License” means a license to operate a short-term rental ~~license~~ issued by the City;
- ~~D.~~F. “Person” means any individual, firm, partnership, joint venture, limited liability company, corporation, limited liability partnership, association, host, social club, fraternal organization, fraternity, sorority, public or private dormitory, joint stock company, estate, trust, business trust, receiver, trustee, syndicate, or any other group or combination acting as a unit;
- ~~E.~~G. “Operator” means the person who is the proprietor of a short-term rental in any capacity;
- ~~F.~~H. “Short-term rental” means all accommodations with duration of 30 consecutive days or less;
- ~~G.~~I. “TDMC” means The Dalles Municipal Code; and
- ~~H.~~J. “Transient” means the renting of a dwelling unit or rooms for compensation on less than a month-to-month basis.

8.02.030. Licenses.

- A. Annual License Required. Prior to using any dwelling unit as a short-term rental, ~~All short-term rentals shall be required to obtain a license from the department prior to operation.~~ the operator of any short-term rental must possess an approved license for each short-term rental they operate. Licenses are valid for ~~one~~ the calendar year, beginning January 1 and ending December 31 ~~of each year~~. Partial year licensing or prorated licensing fees will not be granted at the time of licensing or ~~renewing a license~~ license renewal. Licenses shall be non-transferable. Upon transfer of the real property where the short-term rental is located or transfer of the business owning and operating the short-term rental, ~~the any~~ existing license held by a transferring operator becomes void and ~~–~~ the new operator(s) must apply for a new license before continuing to operate the short-term rental.
- B. Maximum License Cap. The total number of licenses allowed each year shall not exceed one (1%) percent of the City’s total housing unit inventory (as provided in the City’s current Housing Needs Analysis) when rounded down to the next whole number.
- C. Annual Renewal Process. For license renewals each year, priority will be given to existing licenses seeking renewal so long as the renewal application is delivered to the Department by November 29 (or the next business day if November 29 falls on a day the City is closed). The Department will review each application to ensure each operator and the associated real property is in good-standing with the provisions of this and all other Chapters of The Dalles Municipal Code. All existing violations must be resolved prior to the issuance of a license or renewal of an existing license. If violations are not resolved by January 2, the existing short-term rental’s license will be deemed void (and the short-term rental shall lose its status as an existing operation, including the provisions outlined in TDMC 8.02.100 below) and its operator shall be required to apply for a new license to continue using the real property as a short-term rental consistent with this Chapter.
- D. Lottery System. By January 2 (or the next business day if January 2 falls on a day the City is closed) and if additional licenses are available as established in TDMC 8.02.030(B) (after accounting for all license renewals), the City will select new licenses on a lottery basis consistent with the Department’s administrative policy. Once an applicant is selected from the lottery list, that applicant will have 15 days to submit all applicable fees or forfeit their place on the lottery list, in which case a new applicant will be selected.
- ~~A.E.~~ Vicinity Requirements. Except as provided in TDMC 8.02.100(B), no short-term rental may be located within 300 feet² from any other existing and licensed short-term rental within the Low Density Residential, Medium Density Residential, or High Density Residential zoning districts. For purposes of this subsection, distance is measured consistent with the Department’s property notification process for land use and development applications.

8.02.040. General Requirements.

The following general requirements shall apply to all short-term rentals:

- A. License. A ~~short-term rental~~ license shall be obtained by the operator prior to any transient rental of the property.
- B. Signs.
 1. *Residential Zones*. Signage shall be limited to one (1) four square foot flush sign affixed to the primary building. ~~The sign may be a wall sign on the primary building, or a freestanding sign limited to four feet in height (top of sign). If freestanding, the sign area only may be lighted, not to exceed 40 watts.~~ No off-premises signs are permitted.
 2. *Nonresidential Zones*. All signage normally allowed by the zone district in which the short-term rental is located shall be allowed.
- C. Length of Stay. The length of stay for guests is limited to 30 consecutive days.
- D. Room-Transient Lodging Tax. Each facility shall be subject to payment of the City's transient ~~room-lodging~~ tax per consistent with the provisions of TDMC Chapter 8.04. As part of the license renewal process, Prior to the annual renewal of a license, the operator must provide the ~~department~~ Department proof of ~~the past year's paid~~ currency with that property's transient ~~room-lodging~~ tax obligations. Failure to submit proof of past payment ~~will~~ shall result in the denial of the current license; however, an operator ~~can~~ may apply for re-licensing upon proof of such payment- without incurring an additional license fee of any ~~'delinquent transient room taxes~~.
- E. Health and Safety.
 1. *Operator's Responsibilities*. It is the operator's responsibility to ensure ~~that~~ the facility remains in compliance with ~~all provisions of this and other~~ this Chapter and all other provisions of The Dalles Municipal-City Codes, with Oregon State Health, Safety, Building, and Fire Codes, and ~~Tourist Facilities~~ all applicable requirements ~~in~~ of the Oregon Revised Statutes.
 2. *Safety*. Prior to the issuance of a license, a completed safety checklist as described by Department administrative policy shall be required.

8.02.050. License Requirements.

Short-term rental licenses shall be issued when the following provisions have been met:

- A. Dwelling Unit. The facility is a dwelling unit (as defined ~~by~~ by TDMC; ~~Chapter 10.2.030-Definitions~~).
- B. No Modifications. The structure containing the facility retains the existing characteristics of the dwelling unit. No modifications to the structure will be permitted for the benefit of the accommodation's use except those modifications deemed necessary to accommodate current Americans with Disabilities Act requirements. The lot must be landscaped and maintained ~~as a permanent residence~~ consistent with the standards imposed on the underlying zoning district by TDMC Title 10. ~~with landscaped features similar to the surrounding area.~~
- C. Screening. The operator must take reasonable precautions to mitigate impacts to the surrounding neighborhood. All ~~units~~ short-term rentals with shared yards, ~~or~~ common areas,

or yards abutting unscreened neighboring yards in the rear or side yards of the property must install or maintain privacy screening pursuant to TDMC ~~Section~~ 10.6.010.050. This requirement may be waived upon written approval of all adjoining property owners.

D. Parking. For all short-term rentals, the residential off-street parking requirements ~~of~~ of TDMC ~~Section~~ 10.7.060.010 must be met where the facility is also a primary residence. Except as provided in TDMC 8.02.100(B). ~~All all~~ short-term rentals ~~offering more than one-guest room~~ must provide at least one off-street parking space for each ~~additional~~ guest room.

~~0.1.~~ Historic Resource Exemption. Properties listed as a historic resource (~~whether~~ locally, statewide, or federally), or properties eligible for historic designation per TDMC ~~Chapter~~ 11.12 ~~Historic Resources~~ may be granted an exemption from guest room parking requirements ~~if~~ if ~~the operator must submit~~ a historic resource parking exemption request ~~and~~ and ~~along with~~ documentation ~~regarding~~ confirming the historic significance of the property, to the ~~department~~ Department at the time of licensing. The ~~department~~ Department will verify historic significance with the City's Historic Landmarks Coordinator. All properties not currently designated as an historic resource may be eligible for landmark designation following approval by the Historic Landmarks Commission pursuant to TDMC ~~Chapter~~ 11.12 ~~Historic Resources~~.

E. Contact Information. All operators must provide the ~~department~~ Department with current contact information. The contact person must be available to be contacted by a City representative within ~~24~~ 1 hours. Licensees shall notify the ~~department~~ Department and submit appropriate documentation 10 calendar days prior to any change in operator, whether it be a permanent or temporary change.

F. Nuisance Mitigation. All short-term rentals must comply with ~~the provisions of City Codes~~ The Dalles Municipal Code ~~regarding~~ regulating and restricting noise, smoke, dust, litter, and odor.

G. Solid Waste. Weekly solid waste disposal is required ~~and~~ and the operator must provide the ~~department~~ Department with proof of garbage service.

H. Special Events. No "special events" shall be conducted at any short-term rental located within the Low Density Residential, Medium Density Residential, or High Density Residential zoning districts during periods of transient rental. "Special events" include, but are not limited to, weddings and wedding receptions, corporate events, commercial functions, and other gatherings that may require separate permits.

I. Maximum Occupancy. The maximum number of occupants per facility shall be determined by the International Code Council. The International Code Council is a member-based association, dedicated to developing model codes and standards to be used by U.S. cities and global markets in the design and building process to construct safe, sustainable, affordable, and resilient structures. The maximum number of occupants shall be posted inside near the front door in a conspicuous place. Maximum occupancy is two persons per bedroom.

8.02.060. Food Services.

~~This Article pertains to all short term rentals offering food services.~~ All short-term rentals

proposing food services must obtain a food service license ~~with~~ from the Oregon ~~Department~~ Department of Human Services and provide a copy of such license to the Department. Operators ~~is~~ are encouraged to contact the North Central Public Health District for additional information on ~~the~~ requirements ~~of~~ for obtaining a food service license.

8.02.070. Review Procedures.

All Operator operators must shall provide the ~~department~~ Department with the following information at the time of application submission or renewal:

- A. Completed application ~~Application.~~ License applications shall be prepared by the Department and be available on the Department's page of the City's website.
- ~~B. Proof of Residency. For verification of primary residency, at least two of the following items must be provided:~~
 - ~~1. A copy of the voter registration;~~
 - ~~2. A copy of an Oregon Driver's License or Identification Card; or~~
 - ~~3. A copy of Federal income tax return from the previous tax year (page 1, only financial data should be redacted).~~
- ~~C.~~ B. Site Plan. A site plan (drawn to scale) indicating the location and number of guest rooms, location of guest entrances and exits, and location of all off-street vehicle parking spaces.
- ~~D.~~ C. Checklist. A ~~Completed~~ completed safety checklist ~~as described by Department administrative policy.~~
- ~~E.~~ D. Transient Lodging Taxes. For new licenses only, a ~~Completed~~ completed transient ~~room~~ lodging tax registration form as described by TDMC 8.04.070. For license renewals, proof of the property's currency with all outstanding TDMC Chapter 8.04 obligations.
- ~~F.~~ E. Solid Waste. Proof of weekly garbage service.
- ~~G.~~ F. Food Service License. Proof of a current ~~n~~ approved food service license (if applicable).
- ~~H.~~ G. Screening. Completed privacy screening exemption form, signed by all adjoining property owners (if applicable).
- ~~I.~~ H. Historic Parking Exemption. Historic resource parking exemption request (if applicable).
- ~~J.~~ I. Fees. Submission of all required license fees as described in TDMC 8.02.080.

Upon submission of a completed application and associated materials, the ~~department~~ Department shall make a determination concerning issuance of the license within 30 days.

8.02.080. Fees.

All short-term rental licensing fees shall be adopted by resolution of the Council. Annual licensing or renewal fees are based on a per guest room basis. For all short-term rentals offering four or more guest rooms, the operator will be charged a “whole house rental” fee. Whole house rental fees will be calculated at, and not to exceed, the cost of four guest rooms.

8.02.090. Public Notice.

Within 10 days after the receipt of a complete initial application, or any change in operator, the City shall provide notice to all property owners within ~~100~~ 300 feet of the subject property. For purposes of this section, distance is measured consistent with the Department’s property notification process for land use and development applications. -The list of affected property owners shall be compiled from the most recent property tax assessment roll. Information on the notice shall include the following: operator contact information; license number; number of guest rooms; maximum guest occupancy; and contact information for the City’s Code Enforcement Division. The purpose of this notice is to allow adjacent property owners and residents to contact the authorized operator to report and request resolution of problems associated with the operation of the short-term rental. If the authorized operator’s contact information changes during the license period, the new information must be mailed or distributed again.

8.02.100. Existing Nonconforming Short-Term Rentals.

- A. Bed and Breakfast and Vacation Rental Permit. Any short-term rental ~~For the purposes of this section, an existing nonconforming short-term rental is a dwelling~~ with a previously approved bed and breakfast and vacation rental permit operating within the five-year timeline established at the time of initial land use approval, ~~pursuant to repealed Article 6.040. Existing nonconforming short-term rentals~~ may continue their use as a short-term rental until the expiration date established with the associated bed and breakfast and vacation rental permit. Upon that expiration, the operator may only operate a short-term rental with a valid approved ~~short-term rental~~ License issued pursuant to the provisions of this Chapter.
- B. Existing Short-Term Rental Licenses. Any existing short-term rental operating with a current and approved short-term rental license prior to December 1, 2024, is exempt from the provisions of this Chapter’s vicinity requirement (TDMC 8.02.030(E)) and parking requirements (TDMC 8.02.050(D)). However, in all cases where the facility is also a primary residence, the residential off-street parking standards of TDMC 10.7.060.010 are required.
- C. New Application Required. Any lapse in short-term rental licensure or any operational ban of more than one calendar year shall result in the loss of all nonconforming status for any license and a new ~~license~~ application and license shall be required to continue operation as a short-term rental.

8.02.110. Complaints Regarding Operation.

A complaint concerning the operational conduct of a short-term rental shall be in written form and clearly state the nature of the objection(s) to the facility. All complaints must be

submitted to the City's Code Enforcement Division. Upon receipt of a written complaint, the complaint shall be investigated by the Codes Enforcement Officer to determine if any violations have occurred. If the complaint is determined to be meritorious, the Codes Enforcement Officer shall refer the matter to the City Attorney, which will result in the filing of a complaint in the municipal court.

8.02.120. Violations.

A. Violations. Violation of any of the provisions of this ~~chapter~~ Chapter is a ~~violation~~~~n-~~~~infraction~~, punishable by a fine not to exceed the sum of \$250.00 for each violation thereof. Each day's violations of a provision of this ~~chapter~~ Chapter shall constitute a separate offense.

B. Operation Without License. If the Director becomes aware of a short-term rental operating without a current license, the Director or designee shall notify the operator or real property owner of their noncompliance with this Chapter's provisions and provide them 15 days to contact the Department to commence the license application process. The operator's failure to contact the Department within that 15-day timeline shall result in an additional late fee imposed on their application at the time of submittal and may also result in a temporary ban on short-term rental operations at that facility for up to one calendar year.

8.02.130. Revocation.

A. Revocation. A license, once issued, may be revoked upon the following grounds:

1. Violation. Evidence establishing ~~the property's a~~ violation of any provision of The Dalles Municipal Code, including violations of this Chapter~~municipal ordinance, including City ordinances which define public nuisances or general offenses, or a violation of State criminal law;~~
- ~~2.~~Health and Safety. ~~Violation of any of the requirements of this chapter;~~
- ~~3.~~2. The operation of the short-term rental facility business~~in a manner the Director or the City's Police Chief determines~~ presents~~ing~~ a danger to the public health, safety, and general welfare;
- ~~4.~~3.Fraud. Fraud, misrepresentation, or incorrect statements contained in the license application~~, the conduct of the licensed accommodation, or with respect to any return remitted or failed to be remitted pursuant to TDMC Chapter 8.04~~~~for the license;~~
- ~~5.~~Unavailability. ~~Fraud or misrepresentation in the course of conduct of the licensed accommodation;~~
- ~~6.~~4. Absence or unavailability by operator for 24-hour contact with the City as described in TDMC 8.02.050(B);
- ~~7.~~5.Transient Lodging Tax Obligation. Failure to register as an operator pursuant to TDMC ~~Section~~ 8.04.070 and pay any associated ~~transient room taxes~~obligations imposed by TDMC Chapter 8.04; or

8.6. Multiple Violations. The occurrence of three or more violation convictions within a 12-month period resulting in fines pursuant to ~~Section~~ TDMC 8.02.120.

- B. Notice of Revocation. If the City orders the revocation of an issued license on grounds pursuant to this subsection, notice of revocation shall be delivered to the licensee or its agent setting forth in writing the grounds thereof by the City Attorney. Notice shall be delivered either personally or by certified mail, return receipt requested, to the current address shown on the City's records. The notice shall advise the operator of their right to file an appeal.
- C. Appeal to City Council. Any licensee aggrieved by the City's revocation decision may appeal to the Council by filing a notice of appeal with the City Attorney within 10 calendar days of the delivery of the City's decision. The City Attorney shall transmit the notice of appeal, together with the file of said appealed matter, to the Council, which shall fix a time and place for hearing such appeal. The Council shall give the appellant not less than 10 calendar days' written notice of the time and place of hearing of said appealed matter. The appeal shall be treated as a contested case, and the Council shall have the authority to determine the applicable issues to be considered, and what testimony and evidence is relevant. The Council's decision shall be final when reduced to writing.



AGENDA STAFF REPORT

AGENDA LOCATION: Item # 11A

MEETING DATE: October 14, 2024

TO: Honorable Mayor and City Council

FROM: Angie Wilson, Finance Director

ISSUE: Resolution No. 24-022 Authorizing Transfers of Budgeted Amounts Between Categories of Various Funds of the City Of The Dalles Adopted Budget, Making Appropriations and Authorizing Expenditures for Fiscal Year Ending June 30, 2025.

RELATED COUNCIL GOAL: Balanced Budget

BACKGROUND: Oregon Budget Law recognizes that after the beginning of the fiscal year, changes in appropriations in the budget sometimes become necessary and so allows for those changes via supplemental budgets and budget amendments. Supplemental budgets add funds to existing budgets, while budget amendments move already budgeted funds between categories of the same fund without adding to the fund's total budget.

The proposed resolution contains the following items:

1. Additional funds are needed for the recently passed but not yet implemented Recruitment and Retention Adjustment (RRA) for the remainder of this Fiscal Year Ending June 30, 2025. The RRA is intended to help the City continue to recruit and retain a trained and a dedicated workforce. The following resolution will allow each employee to receive an additional \$127.42 on each paycheck through June 30, 2025, totaling \$1,146.79. This transfer is necessary to ensure that the following departments can adequately fund personnel services and maintain operations effectively. Some departments and funds will not need the adjustment as they have enough savings to cover the additional expense in the budget.

Resolution No. 24-022 authorizes the transfer of \$72,713 from the contingency line item of the General Fund to cover additional personnel service needs for the following departments:

1. City Clerk - \$1,394
2. City Manager - \$2,845
3. Legal Department - \$2,788
4. Judicial Department - \$726
5. Finance Department - \$5,576
6. Utility Department - \$2,123
7. Economic Development Department - \$1,394
8. Human Resource Department - \$1,549
9. Community Development Department - \$7,027
10. Police Department - \$40,197
11. IT Department - \$4,027
12. General Services Department - \$1,673
13. Animal Control Department - \$1,394

2. Additional Funds are also needed in the Waste Water Fund for the recently passed but not yet implemented Recruitment and Retention Adjustment (RRA) for the remainder of the Fiscal Year Ending June 30, 2025.

Resolution No. 24-022 authorizes \$18,693 from the Waste Water Fund contingency line item to compensate the Waste Water Fund to cover additional personnel service needs.

3. Additional funds are needed in the FY 2024-25 budget year. We propose to purchase 5 Automated External Defibrillators (AEDs) to enhance the safety and emergency preparedness of our facilities. The need is driven by health and safety compliance.

Resolution No. 24-022 authorizes a transfer of \$10,720 from the General Fund contingency line item to the Human Resource safety budget line item.

4. Additional Funds are needed in the General Fund Budget to cover Elevator inspections for the Police Department and General Services department. Regular safety inspections are essential to ensure compliance with safety regulations and to prevent potential hazards.

Resolution No. 24-022 authorizes a transfer of \$8,568 from the General Fund contingency line item to the General Service Department and the Police Department.

BUDGET IMPLICATIONS: Resolution No. 24-022 transfers currently budgeted amounts, and does not have any impact on the total budget of the General Fund or the Waste Water Fund.

COUNCIL ALTERNATIVES:

1. Staff recommendation: *Move to adopt Resolution No. 24-022 Authorizing Transfers of Budgeted Amounts between Categories of Various Funds of the City of The Dalles Budget, Making Appropriations and Authorizing Expenditures for Fiscal Year Ending June 30, 2025.*

2. Direct staff to make changes to the proposed resolutions and bring the resolutions back to a future Council meeting for consideration.
3. Decline to take action.

RESOLUTION NO. 24-022

A RESOLUTION AUTHORIZING TRANSFERS OF BUDGETED AMOUNTS BETWEEN CATEGORIES OF VARIOUS FUNDS OF THE CITY OF THE DALLES ADOPTED BUDGET, MAKING APPROPRIATIONS AND AUTHORIZING EXPENDITURES FOR THE FISCAL YEAR ENDING JUNE 30, 2025.

WHEREAS, during the budget year certain funds may experience expenditures above approved category limits; and

WHEREAS, Oregon Budget Law recognizes these events and allows for transferring of funds between approved category limits within and between funds; and

WHEREAS, \$72,713 is needed from the General Fund Contingency. Additional funds are needed for the recently passed but not yet implemented Recruitment and Retention Adjustment (RRA) for the remainder of this Fiscal Year Ending June 30, 2025. The RRA is intended to help the City continue to recruit and retain a trained and a dedicated workforce. The following resolution will allow each employee to receive an additional \$127.42 on each paycheck through June 30, 2025, totaling \$1,146.79. This transfer is necessary to ensure that the following departments can adequately fund personnel services and maintain operations effectively. Some departments and funds will not need the adjustment as they have enough savings to cover the additional expense in the budget; and

WHEREAS, \$18,693 is needed from the Waste Water Fund Contingency for the recently passed but not yet implemented Recruitment and Retention Adjustment (RRA) for the remainder of the Fiscal Year Ending June 30, 2025; and

WHEREAS, \$10,720 is needed from the General Fund Contingency to compensate the Human Resource budget. We propose to purchase 5 Automated External Defibrillators (AEDs) to enhance the safety and emergency preparedness of our facilities. The need is driven by health and safety compliance; and

WHEREAS, \$8,568 is needed from the General Fund Contingency to compensate the General Services Department and the Police Department. The funds are needed in the General Fund Budget to cover elevator inspections for the Police Department and General Services department. Regular safety inspections are essential to ensure compliance with safety regulations and to prevent potential hazards.

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

Section 1. Authorizing Budget Transfers. The City Council hereby authorizes the following transfers of funds between budgeted categories and funds:

<u>FUND OR DEPT.</u>	<u>BUDGETED</u>	<u>RESOURCES NEEDED</u>	<u>REALLOCATED</u>
<u>GENERAL FUND (001)</u>			
From General Fund Contingency	\$1,093,173	\$ 1,001,172	- \$ 92,001
To City Clerk Department	\$172,910	\$ 174,304	\$ 1,394
To City Manager Department	\$388,087	\$ 390,932	\$ 2,845
To Legal Department	\$606,498	\$ 609,286	\$ 2,788
To Judicial Department	\$121,394	\$ 122,120	\$ 726
To Finance Department	\$645,792	\$ 651,368	\$ 5,576
To Utility Department	\$231,852	\$ 233,975	\$ 2,123
To Economic Development Department	\$228,117	\$ 229,511	\$ 1,394
To Human Resource Department	\$447,785	\$460,054	\$ 12,269
To Community Development Department	\$712,231	\$ 715,736	\$ 7,027
To Police Department	\$5,533,405	\$5,577,886	\$ 44,481
To IT Department	\$687,035	\$ 691,062	\$ 4,027
To General Services Department	\$726,883	\$ 732,840	\$ 5,957
To Animal Control Department	\$173,734	\$175,128	\$ 1,394
<u>WASTE WATER FUND (055)</u>			
From Waste Water Fund Contingency	\$68,351	\$49,658	- \$18,693
To Waste Water Department	\$4,516,581	\$4,535,274	+ \$18,693

Section 2. Effective Date. This Resolution shall become effective upon adoption by the City Council and shall remain in effect until receipt and acceptance of the FY24/25 audit report.

PASSED AND ADOPTED THIS 14th DAY OF OCTOBER, 2024.

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

AND APPROVED BY THE MAYOR THIS 14th DAY OF OCTOBER, 2024.

SIGNED: _____
 Richard A. Mays, Mayor

ATTEST: _____
 Amie Ell, City Clerk



AGENDA STAFF REPORT

AGENDA LOCATION: Item # 11B

MEETING DATE: October 14, 2024

TO: Honorable Mayor and City Council

FROM: Jonathan Kara, City Attorney

ISSUE: Adopting Special Ordinance No. 24-604, a special ordinance granting a non-exclusive telecommunications franchise to Zayo Group, LLC

BACKGROUND:

Franchises play a critical role in the City's regulation of its public rights-of-way, promote the public interest's needs for critical infrastructure, and benefit constituents by connecting them to services offered for competitive rates. The City currently has franchise agreements with providers of cable services, electric utility services, natural gas services, solid waste disposal services, and telecommunications services. At Council's May 28, 2024, meeting, the City Manager informed Council of their intent to coordinate with the City Attorney to explore a more robust franchise program to benefit the City in alignment with Council's goal relating to *fiscal sustainability*.

On April 10, 2017, Council adopted Special Ordinance No. 17-575, a special ordinance granting Zayo Group, LLC (**Zayo**) a nonexclusive franchise to construct, operate, and maintain fiber-based service facilities in the City's public rights-of-way. That franchise included a provision authorizing both the City and Zayo to renegotiate its terms upon 6 months' written notice. On April 9, 2024, the City noticed Zayo of its intent to renegotiate the terms of the franchise.

The new franchise authorized by this Special Ordinance represents a significant effort to overhaul the City's existing franchise base template, which is about 30 years old and contains many provisions inconsistent with current franchise laws or otherwise not serving the City's best interests. Some of the new franchise's material terms include:

- a 15-year term, with the option for either the City or Zayo to open the agreement every 5 years to renegotiate;
- requiring Zayo notice the City of any transfer of its corporation to ensure the City continues to receive its owed franchise fees from potential new owners;
- clear processes for addressing virtually all issues related to the franchise or the City's regulation of its public rights-of-way;
- including Zayo's 24/7 contact information to address any issues requiring emergent attention; and
- a new franchise fee structure guaranteeing the City receives at least \$2,000/year as a minimum annual franchise fee.

BUDGET IMPLICATIONS:

Under its existing franchise, Zayo is only required to pay 7% of its gross revenue generated from the City's public rights-of-way—put another way, if Zayo does not serve any customers within the city limits, it would not be required to pay the City any amount (despite the benefit it receives for the privilege of occupying the City's public rights-of-way). Under the new franchise authorized by this Special Ordinance, Zayo will pay the City (at least) \$2,000.00/year or 7% of its gross revenue generated within the city limits (whichever greater).

COUNCIL ALTERNATIVES:

1. **Staff recommendation:**
Move to adopt Special Ordinance No. 24-604, as presented, by title only.
2. Make minor modifications to then move to adopt Special Ordinance No. 24-604, as amended, by title only.
3. Make substantive modifications to then direct Staff to bring back Special Ordinance No. 24-604 for a second reading at a future meeting.
4. Decline formal action and provide Staff additional direction.

Attachments

Proposed Special Ordinance No. 24-604
 Proposed *Telecommunications Franchise Agreement*
 Franchisee Acknowledgment and Acceptance Form

SPECIAL ORDINANCE NO. 24-604

**A SPECIAL ORDINANCE GRANTING A NON-EXCLUSIVE
TELECOMMUNICATIONS FRANCHISE TO
ZAYO GROUP, LLC**

WHEREAS, The Dalles Municipal Code (TDMC) Chapter 2.24 provides the City maintains full jurisdiction and exercises complete regulatory control over all public rights-of-way within the City's corporate limits pursuant to the City Charter and Oregon law;

WHEREAS, TDMC 2.24.040 provides no person may occupy a public right-of-way without the City's permission and the City grants permission to use its public rights-of-way by *inter alia* franchises;

WHEREAS, Zayo Group, LLC (**Franchisee**) requested from the City a telecommunications franchise to occupy the City's public right-of-way for the construction, maintenance, and operation of facilities for the purpose of providing telecommunications service; and

WHEREAS, the City Council finds its qualified grant of permission to Franchisee for the nonexclusive privilege of using the City's public rights-of-way as provided herein supports the public health, safety, and welfare.

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

1. Authorization. The City Council hereby authorizes the City Manager to execute the *Telecommunications Franchise Agreement* with Franchisee attached to and made part of this Special Ordinance as its **Attachment 1**.
2. Acceptance. The franchise granted through this Special Ordinance shall only be valid upon Franchisee's filing with the City Clerk (within 14 days from this Special Ordinance's adoption) a written acknowledgment and acceptance of all the terms and conditions provided herein, a copy of which is attached to and made part of **Attachment 1** as its **Exhibit A**.
3. Immediate Effect. To ensure the City's ability to regulate its public rights-of-way to the maximum extent feasible, the City Council hereby finds this Special Ordinance necessary to have immediate effect for the preservation of the peace, health, and safety of the City and shall therefore be effective upon adoption.

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4. Conditional Effect. Notwithstanding Section 3, this Special Ordinance shall be effective if and only if Franchisee files with the City Clerk a duly executed copy of the acceptance document described in Section 2 by October 28, 2024; otherwise, this Special Ordinance and the privilege it grants take no effect whatsoever and are void as a matter and by operation of law.

PASSED AND ADOPTED THIS 14TH DAY OF OCTOBER, 2024,

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

AND APPROVED BY THE MAYOR THIS 14TH DAY OF OCTOBER, 2024.

Richard A. Mays, Mayor

ATTEST:

Amie Ell, City Clerk

Attachment 1 to Special Ordinance No. 24-604

TELECOMMUNICATIONS FRANCHISE AGREEMENT

This TELECOMMUNICATIONS FRANCHISE AGREEMENT (**Agreement**) is entered by the City of The Dalles (**City**), an Oregon municipal corporation, and Zayo Group, LLC (**Franchisee**), a Delaware limited liability company, for its occupancy of the public right-of-way for the construction, maintenance, and operation of facilities for the purpose of providing telecommunications service within the City's corporate limits.

WHEREAS, the City is an Oregon municipal corporation with home rule authority under the Constitution of the State of Oregon;

WHEREAS, The Dalles Municipal Code (TDMC) 2.24.020 provides the City has jurisdiction and exercises regulatory control over all public rights-of-way within the City pursuant to the City Charter and Oregon law;

WHEREAS, TDMC 2.24.040 provides no person may occupy or encroach on a public right-of-way without the City's permission and the City grants permission to use public rights-of-way by *inter alia* franchises;

WHEREAS, ORS 221.510(2) authorizes the City with *inter alia* the discretion to determine by contract the terms and conditions, including payment of a privilege tax and other charges and fees, upon which any telecommunications carrier may be permitted to occupy the City's public rights-of-way or other public places;

WHEREAS, Franchisee requested the City's permission to occupy City-regulated public rights-of-way and other public places to construct, operate, use, and maintain facilities for the purpose of providing telecommunications service and relevant appurtenances; and

WHEREAS, the City desires to formalize and qualify its grant of permission to Franchisee as provided herein.

NOW, THEREFORE, in consideration of both the provisions set forth herein and other good and valuable consideration, the receipt and sufficiency of which is here acknowledged, the Parties agree:

1. **DEFINITIONS.** The Parties agree, except where the context clearly indicates otherwise, the following terms (regardless of capitalization) and both their singular and plural and noun and verb forms, as applicable, mean the following:
 - 1.1 Applicable law means any provision of legislative, administrative, or judicially created federal, Oregon, or local law applicable to Franchisee, the substance of this Agreement, or its performance by the Parties.
 - 1.2 Carrier means any person that has located or intends on locating facilities on the public rights-of-way for the purpose of providing telecommunications service.
 - 1.3 City standards means constructed in accordance with all rules and regulations of the City, including (without limitation) the terms of all required permits, applicable provisions of The Dalles Municipal Code, City-approved traffic control and temporary pedestrian accessible route plans, and the then-current version of the *City of The Dalles Standard Specifications for Construction*.

- 1.4 Conduit or duct means a raceway for the enclosure of cables.
- 1.5 Effective date means the date of Franchisee's acceptance of the franchise granted pursuant to this Agreement as indicated on its *Acknowledgment and Acceptance*, attached to and made part of this Agreement as its **Exhibit A**.
- 1.6 Facility means any tangible component of Franchisee's telecommunications system, including fiber, wires, cables, pipes, mains, ducts, conduits, vaults, pedestals, poles, antennae, power boxes, cabinets, and electrical equipment.
- 1.7 Franchise means the City's qualified grant of permission to Franchisee for the nonexclusive privilege of using public rights-of-way pursuant to this Agreement.
- 1.8 Gross revenue means, to the maximum extent allowed under applicable law, all revenues derived (directly or indirectly) by Franchisee from its provision of telecommunication service within the City, regardless of the type of equipment used to provide such service. Gross revenue shall not be net of: **(a)** any operating expense; **(b)** any accrual, including any accrual for commissions; or **(c)** any other expenditure, regardless of whether such expense, accrual, or expenditure reflects a cash payment. Gross revenue shall not include: **(w)** any taxes, fees, or assessments collected by Franchisee from customers for pass-through to a government agency, including the minimum annual franchise fee; **(x)** bad debt; **(y)** credits, refunds, and deposits paid to customers; and **(z)** any other exclusions available under applicable law.
- 1.9 Hazardous substance has the meaning given that term by ORS 465.200(16), as may be amended or superseded.
- 1.10 Minimum annual franchise fee means the minimum amount Franchisee is required to pay annually to the City under this Agreement.
- 1.11 Person means an individual, corporation, association, firm, partnership, trust, governmental agency, or any other legal entity.
- 1.12 Public place means any place within the City's corporate limits, open to the public, and either City-owned or controlled, but not public right-of-way.
- 1.13 Public right-of-way has the meaning given that term by TDMC 2.24.010, as may be amended or superseded.
- 1.14 Telecommunications has the meaning given that term by ORS 759.005(7), as may be amended or superseded, and means the transmission of information chosen by a person, between or among points specified by the person, without change in the form of content of the information sent or received.
- 1.15 Telecommunications service has the meaning given that term by ORS 759.005(8), as may be amended or superseded, and means telecommunications offered for a fee to

Telecommunications Franchise Agreement

Zayo Group, LLC

Page 2 of 15



the public, or to such class of users as to be effectively available to the public, without regard to the facilities used to provide the telecommunications.

1.16 Telecommunications system means all facilities owned, leased, rented, maintained, or used by Franchisee for the purpose of providing or enabling telecommunications service and located in, under, or above the public right-of-way.

1.17 User means any person lawfully receiving service from Franchisee's telecommunications system.

2. FRANCHISE.

2.1. Franchise Granted. The City grants Franchisee the nonexclusive privilege and permission to erect, construct, extend, operate, and maintain its telecommunications system within the public right-of-way as qualified by and pursuant to the terms of this Agreement, effective from the date indicated in this Agreement's executed **Exhibit A**.

2.1.1. No Right to Attach. Notwithstanding any other provision of this Agreement, Franchisee agrees this Franchise does not grant it the right to attach any facilities to or place any facilities on any structures owned or operated by the City or any other governmental entity. Franchisee agrees to enter separate agreements if it desires to attach any facility to or place any facility on any structures owned or operated by the City or any other governmental entity.

2.1.2. Minimum Interference. Franchisee agrees each and every part of its exercise of any of the permissions granted by this Agreement will be performed in the least invasive and disruptive manner feasible so as to cause the minimum possible interference with the public right-of-way's use. Without limitation, Franchisee expressly agrees to perform so as to not interfere with sewers, water lines, or any other City-owned utility or infrastructure and other pipes, wires, conduits, cables, or other public or private facilities located in the public right-of-way or other public place. The Parties agree to work cooperatively during any design process impacting the public right-of-way to establish suitable locations for Franchisee's facilities; provided, however, Franchisee agrees all new installations serving new development will access such parcels through utility easements delineated on the approved partition or subdivision plat for that new development.

2.2. Term. The Parties agree this Agreement's term commences on the effective date and expires on its fifteenth anniversary unless sooner terminated; provided, however, the Parties further agree either Party may (upon 30 days' advance notice to the other prior to the expiration of each 5-year period from the effective date) open this Agreement to negotiate its provisions. If a good faith negotiation fails and the Parties are unable to agree to new provisions within 90 days from the date of the notice described in this **Section 2.2** (or other mutually agreed timeframe), the Parties agree the provisions of this Agreement will endure until the next expiration of each 5-year period or (at most) this Agreement's fifteenth anniversary.



- 2.3. Compliance.** Franchisee agrees to comply with the provisions of TDMC Chapter 2.24 (Public Rights-of-Way) and all other applicable provisions of The Dalles Municipal Code and applicable law, as they exist on the effective date and as may be amended or superseded. If any provision of the text of this Agreement and the provisions of TDMC Chapter 2.24 appear to conflict, the Parties agree to attempt to reconcile the apparently conflicting provisions so as to harmonize them; if the Parties fail to reasonably harmonize such provisions, the terms of TDMC Chapter 2.24 control. The City agrees to administer this Franchise and Agreement in a uniform, nondiscriminatory manner with respect to other similar telecommunications franchises.
- 2.4. Other Franchises Required.** The Parties agree each and every other carrier is required to obtain and maintain a separate grant of the City's permission to occupy the public right-of-way. The City agrees to grant such permissions on a non-discriminatory basis.
- 2.5. Transfer.** Franchisee agrees it may not assign or transfer the Franchise granted by and through this Agreement without the City's prior written consent and the City agrees not to unreasonably withhold or delay such consent; provided, however, the City agrees no such consent is required: **(a)** if the Oregon Public Utility Commission approves the assignment or transfer; **(b)** for Franchisee's assignment or transfer to an entity controlling, controlled by, or under common control with Franchisee, for any of Franchisee's rights, title, or interest in this Franchise; or **(c)** for Franchisee's assignment or transfer of its facilities to secure indebtedness. In all cases of assignment or transfer not requiring the City's consent, Franchisee agrees to so notice the City of the nature of the assignment or transfer and the identity and billing address of such assignee or transferee no later than thirty (30) days after consummation of the transfer or assignment. Franchisee agrees to reimburse the City all costs (including attorneys' fees) the City may reasonably incur to review and analyze any of Franchisee's requests for the City's consent to assignment or transfer.
- 2.6. Enforcement, Revocation, and Termination.**
- 2.6.1. Notice of Violation. If the City believes Franchisee has not complied with the terms of this Agreement, the Parties agree the City will notice Franchisee in writing of the nature of the alleged noncompliance.
- 2.6.2. Right to Respond. Franchisee agrees it will either cure any default alleged in the notice of violation or demonstrate its compliance with this Agreement to the City's reasonable satisfaction within 30 days of its receipt. If the nature of the default is incurable within 30 days, Franchisee agrees to initiate reasonable steps within such 30-day period to remedy the default expeditiously and to notice the City of those steps and the projected date of completion.
- 2.6.3. Enforcement. Subject to applicable law and Franchisee's right to respond set forth in **Section 2.6.2**, if the City determines Franchisee is in default of any provision of this Agreement, the City may (without limitation):



- 2.6.3.1. seek specific performance of any provision reasonably lending itself to such remedy;
 - 2.6.3.2. commence an action at law for monetary damages or seek other equitable relief; and
 - 2.6.3.3. commence proceedings to terminate this Agreement and revoke the Franchise pursuant to this **Section 2.6**.
- 2.6.4. *Revocation*. If the City has not received a satisfactory response from Franchisee pursuant to **Section 2.6.2**, the City may then seek to terminate this Agreement and revoke this Franchise at a noticed public hearing held by the City Council. The City agrees to provide Franchisee at least 10 days' advance notice of that public hearing. The City further agrees Franchisee may take an opportunity to state its position on the matter at the public hearing. The Parties agree the City Council will make a determination as to whether this Agreement will be terminated and this Franchise will be revoked after it considers any staff report, this Agreement, testimony, and all other evidence presented at the hearing. If the City Council determines to terminate this Agreement and revoke this Franchise, Franchisee agrees to remove all of its facilities contemplated by this Agreement from the public rights-of-way within 180 days from the date of the public hearing described in this **Section 2.6.4** (unless expressly waived by the City Council) or the City may assume possession and legal ownership of the facilities. If the City assumes possession and legal ownership of any facility, Franchisee agrees to provide a bill of sale or other documentation demonstrating City ownership upon the City's request.
- 2.6.5. *Change in Service*. Franchisee acknowledges the City enters this Agreement in reliance on Franchisee's material representation it intends to occupy the City's public rights-of-way solely for the purpose of providing telecommunications service and expressly warrants not to provide any other services within the City's corporate limits without the City's prior consent. Franchisee agrees its provision of services other than telecommunications service pursuant to the provisions of this Agreement in the City's corporate limits may be a material breach for which no cure exists and accepts the City's enforcement of this Agreement in accordance with the provisions of this **Section 2.6**.

3. INDEMNITY, INSURANCE, AND BONDING.

- 3.1. *Indemnity*. Franchisee agrees to indemnify, defend, and hold harmless the City (including its elected or appointed officials, officers, agents, and employees) against all liability, loss, and costs arising from actions, suits, claims, or demands for Franchisee's (including Franchisee's officers', agents', employees', and subcontractors') acts or omissions in the performance of this Agreement; provided, however, in no event does Franchisee agree to indemnify against the City's sole negligence.



- 3.2. Insurance.** Franchisee agrees, at its expense, to carry and maintain in effect throughout this Agreement's term (at least) the following coverage policies:
- Workers' Compensation. Workers' compensation coverage in compliance with ORS 656.017 to the extent it employs *subject workers*;
 - Comprehensive General Liability Insurance. Commercial general liability insurance of not less than **\$5,000,000** (*per occurrence*) and **\$5,000,000** (*in aggregate*) for Bodily Injury, Personal Injury, and Property Damage;
 - Commercial Automobile Liability Insurance. Commercial automobile liability insurance (including coverage for all owned, hired, and non-owned vehicles) in the amount of **\$5,000,000** (*per accident*); and
 - Pollution Liability Insurance. Pollution liability insurance through a Commercial General Liability policy and in the amount of **\$5,000,000** written on either **(a)** a full occurrence form, **(b)** a limited occurrence form with at least a three-year tail, or **(c)** a claims-made form with a three-year tail.
 - Required Limits. Umbrella and/or excess liability policy limits may be accepted to meet the required limits and the required scope of insurance.
- 3.2.1. Certificates. Franchisee agrees to provide the City with certificates of insurance naming the **City of The Dalles, its employees, officials, and agents** as an additional insured prior to any performance contemplated by this Agreement and to further provide the City thirty (30) days' written notice before cancelling or reducing any such required insurance policy. Franchisee agrees its failure to maintain the coverage policies required in **Section 3.2** throughout this Agreement's term or notice the City of cancellation of or reduction to any insurance policy contemplated by this Agreement is (at the City's sole discretion) grounds for this Agreement's immediate termination.
- 3.2.2. Subcontractor Insurance. Franchisee agrees to require its subcontractors performing any activities on behalf or at the behest of Franchisee pursuant to its permissions under this Agreement to carry and maintain in effect for the duration of such activities Workers' Compensation coverage, Commercial General Liability, Pollution Liability, and Commercial Automobile Liability with coverages equivalent to those listed in **Section 3.2**. Franchisee further agrees to require those subcontractors to provide Franchisee with certificates of insurance as evidence of coverage and (upon City's request) provide the City with certificates of insurance for those subcontractors. The Parties agree this **Section 3.2.2** survives the expiration or sooner termination of this Agreement.
- 3.2.3. Workers' Compensation. Franchisee agrees it is solely responsible for maintaining proper and adequate Workers' Compensation coverage. If Franchisee's insurance does not cover each and every subcontractor, Franchisee agrees to file with the City certificates of insurance issued on policies covering each and every subcontractor performing any activities on behalf or at



the behest of Franchisee pursuant to its permissions under this Agreement, including any subcontract operations. Franchisee shall provide the City with evidence it is either a *self-insured employer* or a *carrier-insured employer* for Workers' Compensation pursuant to ORS Chapter 656 prior to commencing any performance contemplated by this Agreement.

- 3.3. Bonding.** Franchisee agrees, prior to any commencement of any construction activities contemplated by this Agreement, to file a performance bond or other surety (in favor of the City or any other person who may suffer damages as a result of Franchisee's breach of any duty assured by the bond or sureties) in an amount reasonably approved by the City and in a form approved by the City Attorney. Franchisee specifically agrees its provision of any bond or surety does not operate and will not be construed as operating to limit Franchisee's liability for damages. Franchisee agrees the City retains the right to waive the bonding and surety requirements listed in this **Section 3.3** at its option and sole discretion.

4. PUBLIC RIGHT-OF-WAY CHANGES.

- 4.1. Vacation.** If the City authorizes vacation of any part of the public right-of-way used by Franchisee during the term of this Agreement, Franchisee agrees to remove its telecommunications system therefrom and restore, repair, or reconstruct the vacated area; provided, however, if the City Council initiates the vacation, Franchisee agrees to cover such removal, restoration, repair, or reconstruction costs and if a non-Party petitioner initiates the vacation, then the Parties agree those costs will be covered by the petitioner. If Franchisee fails, neglects, or refuses to perform this obligation when and if it arises, the Parties agree the City may provide Franchisee with 30 days' advance notice to so perform before the City may elect to itself perform the removal, restoration, repair, and reconstruction activities. Franchisee agrees it is responsible for any direct, indirect, and consequential costs to the City arising from Franchisee's failure, neglect, refusal, or delay pursuant to this **Section 4.1**. The City agrees to cooperate with Franchisee to identify alternative locations within the public right-of-way for placement of Franchisee's facilities impacted by any vacation.
- 4.2. Annexation or Dedication.** The Parties agree that additional public right-of-way added to or within the City's boundaries, whether by annexation, dedication, or any other means, shall immediately become subject to the terms of this Agreement. The City agrees to use reasonable efforts to notice Franchisee of its annexation or acquisition of any such public right-of-way. Franchisee agrees to submit to the City a written statement describing all facilities implicated in any such public right-of-way (including documentation evidencing such acquisition and specifying the location of all such facilities) within 30 days from the City's notice described in this **Section 4.2**; the Parties further agree such facilities are immediately subject to the terms of this Agreement upon Franchisee's acquisition or control. The Parties expressly agree the City assumes no liability, in any way, for its failure to specially notice Franchisee of any publicly-noticed annexation or dedication.



5. CONSTRUCTION ACTIVITIES.

- 5.1. Construction Standards. Franchisee agrees all of its facilities shall be designed, installed, located, erected, constructed, reconstructed, replaced, removed, repaired, maintained, and operated by reasonably experienced and demonstrably qualified personnel, and in accordance with the then-current version of the *National Electric Safety Code* and reasonable best practices. Franchisee (including its subcontractors) further agrees all construction activities it undertakes pursuant to this Agreement will be compliant with City standards and all applicable laws and regulations.
- 5.2. New Construction. In the case of Franchisee's new construction activities, Franchisee agrees, for each duct installed by Franchisee for its own purposes, it will install 1 duct reserved for the City and its municipal purposes; provided, however, Franchisee is only obligated to install 1 duct for municipal purposes in any given installation. The City agrees to pay Franchisee's standard rate for such installation. For clarity, any ducts installed by Franchisee for the City under this section shall only be used for municipal purposes and shall not be for resale, sublease, licensing, sub-IRU, trade or barter exchange, leverage, or other use in competition with Franchisee.
- 5.3. Duty and Maintenance. In connection with its performance under this Agreement, Franchisee agrees (at all times) to employ reasonable care and implement industry-accepted best practices and devices to prevent failure or accidents with the potential to cause injury or property damage. Franchisee agrees to maintain all of its facilities in a good state of repair and to subscribe to a utility notification and locate service.
- 5.4. City Installation. Franchisee agrees the City may install or affix and maintain wires and equipment for municipal purposes upon any and all of Franchisee's facilities upon the Parties' mutual execution of a pole attachment agreement or conduit lease agreement. Franchisee further agrees the value of the City's use of its facilities will not be deducted from its payment obligations under this Agreement or other fees payable to the City unless otherwise agreed to by the Parties. The City agrees Franchisee is not responsible for any damage resulting to the City's wires or property occurring as a result of the City's use of Franchisee's facilities.
- 5.5. Maps. Franchisee agrees to maintain maps and data pertaining to all of its facilities located in the City on file at an office located in the State of Oregon. Franchisee further agrees the City may inspect all such maps and data pertaining to Franchisee's facilities at any time during regular business hours upon 5 business days' advance notice. Upon the City's request, Franchisee agrees to provide current maps and data to the City showing the location of all Franchisee's facilities within the City's corporate limits, without charge to the City. Upon completion of any and all of its facilities, Franchisee agrees to provide a map or maps consistent with this **Section 5.5** to the City and showing the location as built of its installed telecommunications system. Franchisee further agrees such provided as-built maps will be in a form reasonably acceptable to the City Engineer and define specific locations of the facilities. The City agrees to only use Franchisee's maps and data for municipal purposes and further agrees to withhold them from disclosure unless the City Attorney determines no



statutorily-authorized exemption from disclosure applies to such records in response to a request submitted pursuant to the Oregon Public Records Law.

5.6. Permits. Franchisee agrees to comply with all generally applicable permitting requirements before commencing any exercise of its permission contemplated by this Agreement. Franchisee expressly agrees it shall not perform any construction activities of any kind in the public rights-of-way without first obtaining all City-required permits and approvals.

5.7. Construction Notice and Schedule.

5.7.1. Notice to Others. Franchisee agrees to give such notice as required by law to the City, other units of government, abutting property owners, and other City permittees, licensees, and franchisees, who own or maintain facilities potentially impacted by Franchisee's construction activities.

5.7.2. Schedule to City. Prior to commencing any construction contemplated or authorized by this Agreement, Franchisee agrees to provide the City with a schedule of its construction activities. Franchisee agrees to inform the City of any material changes to the schedule.

5.8. Restoration.

5.8.1. Obligations. Franchisee agrees to restore any damage or disturbance to public rights-of-way or public places caused by its performance of this Agreement, including any disturbance or damage caused by the removal of facilities upon termination of this Agreement, all at Franchisee's sole expense. Franchisee expressly agrees it is Franchisee's sole responsibility to locate and avoid all locatable utilities and infrastructure located within any construction area and accepts liability for any costs to repair or replace any property which may be damaged due to its construction activities or location of any and all facilities.

5.8.2. Restoration Condition. Franchisee agrees its restoration of the public rights-of-way, public places, or any other property will be (at least) to City standards, regardless of the impacted area's or property's condition before Franchisee's damage or disturbance.

5.9. Labor and Materials. Franchisee agrees it is solely responsible and bears all expenses for furnishing all necessary labor and materials to install and maintain its own facilities; provided, however, the City retains its authority to approve all materials and methods necessary for Franchisee's activities contemplated by this Agreement pursuant to TDMC 2.24.060(C).

5.10. City Authority. The Parties expressly agree nothing in this Agreement shall be construed, in any way, to prevent the City from exercising its full jurisdiction and regulatory control over the public rights-of-way, constructing and maintaining any



public improvement in any public right-of-way or public place, or any other authority connected with its status as a municipal corporation of the State of Oregon.

6. PUBLIC RIGHT-OF-WAY OCCUPANCY.

6.1. Undergrounding Required. Except as provided in this **Section 6.1**, Franchisee agrees to install its facilities underground unless the City specifically permits attachments to utility poles or other aboveground facilities. Franchisee agrees to install its facilities underground where (at the time of installation) any existing cable, telecommunications, or electric facilities are already buried. In areas where cable, telecommunications, and electric facilities are all installed aerially at the time Franchisee installs its facilities, Franchisee may install its facilities aerially; provided, however, if the City undergrounds its own facilities, then Franchisee agrees to likewise underground its aerial facilities.

6.2. Emergency.

6.2.1. Emergency Removal and Relocation. Whenever the City determines removal or relocation of any facility is necessary to preserve traffic or public safety in the case of an emergency, Franchisee agrees the City may remove or relocate such facilities at Franchisee's sole expense, including expenses for restoration, relocation, or repair; provided, however, the City will be responsible for such expenses, including expenses for restoration or repair, if its removal or relocation amounts to negligence.

6.2.2. Emergency Services. The Parties recognize the City is a critical regional communications hub. Whenever the City determines an emergency exists involving interruption of telecommunications service within its corporate limits, the City agrees to notify Franchisee (using any practicable means and as soon as the City determines necessary) of the nature of the emergency. To the extent prioritizing such restoration of facilities would not jeopardize other emergency services or the public health and safety, Franchisee agrees to restore service as soon as practicable to City-owned buildings and utility infrastructure used for municipal purposes.

6.2.3. Emergency Contact. In the event of an emergency, Franchisee's Network Operations Center & Repair may be contacted 24/7 by phone at (888) 404-9296 or by email at zayoncc@zayo.com.

6.3. Trees. The City agrees Franchisee (including its subcontractors) may (at its sole expense) prune trees abutting public rights-of-way and necessary for the installation, maintenance, protection, or removal of its facilities so long as it uses prudent arboricultural techniques; provided, however, Franchisee agrees to provide 5 business days' notice to the City and any adjoining property owners prior to any pruning. Franchisee further agrees its pruning will be the minimum amount required to alleviate the substantial interference with the operation of its telecommunications system. Franchisee further agrees to remove any wood, debris, or other matter resulting from its pruning from the public rights-of-way or public place on the same day the pruning



activities occur. Franchisee agrees nothing in this **Section 6.3** grants it any right to enter or otherwise impact private property without the consent of the property owner.

6.4. Support and Relocation Requests.

- 6.4.1. City Requested Support or Relocation. Franchisee agrees to protect, support, temporarily disconnect, relocate, or remove any facility impacting a City project upon the City's request; provided, however, the City agrees to provide Franchisee with (at least) 90 days' advance notice, unless emergency conditions require a shorter notice period. Franchisee agrees to be responsible for any costs associated with this **Section 6.4.1** obligation to the same extent all other users of the public right-of-way are responsible for the costs related to the relocation of their facilities.
- 6.4.2. Third-Party Requests for Support or Relocation. Should it ever become necessary to rearrange or remove Franchisee's facilities at the request of a private person, Franchisee agrees to perform such rearrangement or removal as expeditiously as possible upon its receipt of reasonably advance written notice from the person desiring the temporary change of a facility's location; provided, however, that notice must: **(a)** be approved by and delivered to Franchisee through the City Manager; **(b)** detail the route of movement; **(c)** provide that the person giving the notice agrees to be responsible for Franchisee's costs for making the temporary change; **(d)** provide that the person giving the notice agrees to indemnify and hold harmless the City and Franchisee of and from any and all damages or claims caused from such temporary change of Franchisee's facilities; and **(e)** if required by Franchisee, be accompanied by a cash deposit or a good and sufficient bond to pay any and all of Franchisee's estimated costs (as determined by Franchisee).

6.5. Abandonment.

- 6.5.1. For Failure to Use. Franchisee agrees any facility it ceases to make use of for the purposes authorized by this Agreement for a continuous period of 6 months will be deemed abandoned and Franchisee further agrees it will not intentionally disconnect or destroy any such facility; in that case, Franchisee agrees the City may require Franchisee to remove the facilities and undertake restoration activities upon the City's dispatch of 90 days' advance notice. If Franchisee fails to remove the facilities or perform the restoration within that 90-day period, Franchisee agrees the City may (at its option and sole discretion) remove the facilities and require Franchisee to pay for the full cost of removal and restoration or the City may assume possession and legal ownership of the facilities. If the City assumes possession and legal ownership of any facility, Franchisee agrees to provide a bill of sale or other documentation demonstrating City ownership upon the City's request.
- 6.5.2. For Failing to Renew. Franchisee agrees, if it goes out of business or withdraws service from the area and (as a consequence) refuses to renew this Agreement,



it will not intentionally disconnect or destroy any facilities and legal title and all rights to use of the facilities revert to the City, who may sell, lease, or otherwise use the facilities at its option and sole discretion. Franchisee agrees the City may (at its option and sole discretion) remove the facilities from all poles and underground conduits and require Franchisee to pay for the full cost of such removal and any restoration incidental thereto. If the City assumes possession and legal ownership of any facility, Franchisee agrees to provide a bill of sale or other documentation demonstrating City ownership upon the City's request.

7. FRANCHISE FEE.

- 7.1. Annual Payment. Franchisee agrees to make its minimum annual franchise fee payment to the City annually by February 28 each calendar year during this Agreement's term, prorated monthly.
- 7.2. Minimum Annual Franchise Fee. Franchisee agrees the minimum annual franchise fee owed to the City is generally a function of whether Franchisee earned any revenue during any part of the preceding calendar year from users located within the City's corporate limits; specifically, the Parties agree Franchisee's annual payment obligation is determined by **Section 7.3.**
- 7.2.1. If City-Earned Revenue. If Franchisee so earned any revenue from users located within the City's corporate limits, Franchisee agrees its minimum annual franchise fee payment will comprise an amount representing 7% of Franchisee's gross revenue.
- 7.2.2. If No City-Earned Revenue. If Franchisee did not so earn any revenue from users located within the City's corporate limits, Franchisee agrees to pay the City a contract administration fee of \$500.00 per calendar quarter.
- 7.3. Minimum Annual Payment Determination. In any given calendar year during this Agreement's term, if the amount described in **Section 7.2.1** (i.e., 7% of Franchisee's gross revenue) is larger than the amount described in **Section 7.2.2** (i.e., the contract administration fee of \$500.00 per calendar quarter), Franchisee agrees to pay the City the amount described in **Section 7.2.1**; otherwise, Franchisee agrees to pay the City the amount described in **Section 7.2.2.**
- 7.4. Sworn Statement. Franchisee agrees to furnish a sworn statement signed by an officer of Franchisee setting forth the amount of each annual payment and the calculations involved in its computation with each annual payment it submits to the City.
- 7.5. Effect of Payment. Franchisee agrees its annual payments are not credits toward the payment of property taxes or payments in lieu thereof, not paid toward any sales or income tax adopted by the City, and not paid toward any permit fees required by the City.



- 7.6. City Audit. Franchisee agrees the City may audit Franchisee's records to verify the minimum annual franchise fee has been correctly computed and paid by Franchisee. Franchisee further agrees to reimburse the City for its actual costs (including attorneys' fees) of such audits disclosing Franchisee paid 95% or less of the fee owing for the audit period.
- 7.7. Accord and Satisfaction. Franchisee agrees the City's acceptance of any payment or partial payment Franchisee makes will not be construed as a release of or an accord and satisfaction with respect to any claim the City may have for additional sums payable by Franchisee pursuant to the terms of this Agreement, unless such release is specified in a settlement agreement executed by the Parties.
- 7.8. Interest Owed. If Franchisee fails to make any payments contemplated by this Agreement by the dates scheduled for payments by this Agreement, Franchisee agrees to pay an interest charge computed from the due date for any such payment to the date such payment was made at 1.5 percent per month, not to exceed an annual rate equal to the maximum rate allowed by law.
- 7.9. Proceeds. As applicable, the Parties agree to meet and confer in good faith at least once annually to discuss proposals for partnering to provide Franchisee's low-income customers with financial assistance using proceeds from the franchise fees, as permitted by law, or other funding mechanisms.

8. HAZARDOUS SUBSTANCES.

- 8.1. Compliance with Laws. Franchisee agrees to comply with all applicable Oregon and federal laws, statutes, regulations, and orders concerning hazardous substances relating to Franchisee's telecommunications system in the public rights-of-way and public places.
- 8.2. Inspection. Franchisee agrees the City may inspect Franchisee's facilities located in the public right-of-way to determine if any release of hazardous substances has occurred or may occur from or related to Franchisee's telecommunications system.
- 8.3. Remediation. Franchisee agrees it will remove all residue of hazardous substances in compliance with applicable environmental remediation standards whenever Franchisee removes or modifies any of its facilities contemplated by this Agreement.
- 8.4. No Liability. The Parties expressly agree the City has no liability whatsoever for any claims, damages, or harm caused by or related to the existence or release of hazardous substances in or by Franchisee's telecommunications system or for Franchisee's failure to adequately address or remediate any hazardous substance. Franchisee agrees to indemnify the City against any claims, suits, actions, costs, and expenses, of any kind, whether direct or indirect, incurred by the City arising out of the release or threat of release of any hazardous substance caused by Franchisee's ownership, operation, or maintenance of a telecommunications system in the public rights-of-way or public places.



9. GENERAL PROVISIONS.

- 9.1. Time. The Parties agree time is of the essence to this Agreement's performance and each and every of its contemplated timeframes or deadlines.
- 9.2. Mutual Termination and Modification. The Parties agree this Agreement may be terminated or modified at any time by mutual written agreement.
- 9.3. Integration. The Parties agree this Agreement contains their entire understanding and intent and supersedes all prior negotiations, representations, or other written or oral agreements between them on this matter.
- 9.4. Venue and Choice of Law. The Parties agree all disputes connected with this Agreement or its performance shall be heard in the Circuit Court of the State of Oregon for the County of Wasco or in the U.S. District Court for the District of Oregon and any resolutions will be construed under the laws of the State of Oregon.
- 9.5. Severability. The Parties agree any provision of this Agreement deemed illegal or unenforceable is severed from this Agreement and the other provisions remain in force.
- 9.6. Survival. The Parties agree the provisions of this Agreement that, by their sense and purpose, should survive its expiration or termination will so survive; such surviving provisions expressly include (without limitation) **Sections 2.6.3 (Enforcement), 3.1 (Indemnity), 5.8 (Restoration), and 7 (Franchise Fee).**
- 9.7. Waiver. The Parties agree a Party's failure to insist upon strict adherence to a provision of this Agreement on any occasion will not be considered a waiver of that Party's rights or deprive them of the right to thereafter insist upon strict adherence to that or any other of this Agreement's provisions.
- 9.8. Force Majeure. The Parties agree neither Party shall be held responsible for delay in the performance of this Agreement caused by circumstances beyond their control and making performance commercially impracticable, illegal, or impossible.
- 9.9. Counterparts. The Parties agree this Agreement may be executed in one or more counterparts, each of which is an original, and all of which constitute only one agreement between them.

Continues on next.



9.10. Notices. The Parties agree all notices required or permitted to be given under this Agreement will be deemed given and received *three (3) days* after deposit in the United States Mail, certified or registered form, postage prepaid, return receipt requested, and addressed:

To City: City Manager
City of The Dalles
313 Court Street
The Dalles, OR 97058

With a copy to: City Attorney
City of The Dalles
313 Court Street
The Dalles, OR 97058

To Franchisee: Zayo Group, LLC
Attn: Underlying Rights/Legal
1401 Wynkoop Street, Suite 500
Denver, CO 80202
legal@zayo.com

With a copy to: Zayo Group, LLC
Attn: Underlying Rights/Legal
1821 30th Street, Unit A
Boulder, CO 80301

IN WITNESS WHEREOF, the Parties duly execute this **TELECOMMUNICATIONS FRANCHISE AGREEMENT** this _____ day of _____, 2024.

CITY OF THE DALLES

ZAYO GROUP, LLC

Matthew B. Klebes
City Manager

Gillian Leytham
Vice President, Underlying Rights & Gov't Relations

ATTEST:

Amie Ell
City Clerk

Approved as to form:

Jonathan M. Kara
City Attorney



**Exhibit A to
Telecommunications Franchise Agreement
Zayo Group, LLC**

ACKNOWLEDGMENT AND ACCEPTANCE

I hereby acknowledge I have read the provisions of **Special Ordinance No. 24-604** and am duly authorized to act on behalf of the franchisee (**Zayo Group, LLC**) to hereby accept the terms of that Special Ordinance, its referenced *Telecommunications Franchise Agreement*, and applicable provisions of The Dalles Municipal Code.

DATED this _____ day of October, 2024.

ZAYO GROUP, LLC

By: _____

Title: _____

Date: _____





AGENDA STAFF REPORT

AGENDA LOCATION: Item # 11C

MEETING DATE: October 14, 2024

TO: Honorable Mayor and City Council

FROM: Matthew Klebes, City Manager

ISSUE: Adopting Resolution No. 24-023, a resolution establishing the City's official compensation package policy for elected officials

BACKGROUND:

The 2020 City of The Dalles Charter authorizes Council to prescribe compensation for City personnel, the Mayor, and Councilors. With respect to compensation for the City's elected officials, the mayor currently receives \$200 per month and Councilors receive \$100 per month—those amounts have not changed since FY 21/22.

The City's elected positions come with time commitments and costs due to frequent meetings, constituent engagement, and other requirements resulting in expenses that those officials would not otherwise incur but for their positions. Feedback from the Local Government Academy and action by the public at large to amend the City Charter have supported an approach to providing the City's elected officials a modest compensation package to reduce those costs and remove economic barriers to local government service.

At its April 22, 2024, meeting, Council authorized an increase from \$200 to \$500 per month for the Mayor and from \$100 to \$400 per month for Councilors. The City clarified that motion in May 2024 to confirm those increases would become effective for successors-in-office to those positions on the first day of their respective successor's term.

Since that clarified motion passed, the Oregon Government Ethics Commission held a training in partnership with the City and staff determined a stronger way to establish compensation for the City's elected officials is through adopting a resolution establishing the City's "official compensation package" policy for elected officials.

The Policy proposed for adoption through this Resolution ensures transparency, details

the procedures under which said compensation is provided, and is consistent with Oregon Government Ethics Law. If adopted, the Policy becomes effective January 1, 2025.

BUDGET IMPLICATIONS: The FY 24/25 budget was prepared to provide the proposed compensation amounts to the City's elected officials.

COUNCIL ALTERNATIVES:

1. **Staff recommendation:**
Move to adopt Resolution No. 24-023, as presented.
2. Make modifications to then move to adopt Resolution No. 24-023, as amended.
3. Decline formal action and provide staff additional direction.

RESOLUTION NO. 24-023

**A RESOLUTION ESTABLISHING THE CITY'S
OFFICIAL COMPENSATION PACKAGE POLICY
FOR ELECTED OFFICIALS**

WHEREAS, Section 27 of the 2020 City of The Dalles Charter (**Charter**) authorizes Council to prescribe compensation for City personnel and elected officials;

WHEREAS, ORS 244.040(1) prohibits public officials from using their official position to obtain a financial gain for themselves unless specifically excepted;

WHEREAS, ORS 244.040(2)(a) specifically excepts any part of an *official compensation package* from that prohibition;

WHEREAS, OAR 199-008-0005 provides the term *official compensation package* means the wages and other benefits provided to public officials if “specifically approved by the public body in a formal manner, such as through . . . adopted personnel policies that apply generally to . . . other public officials”; and

WHEREAS, the City Council intends this Resolution to satisfy the provisions of ORS 244.040(2)(a) and establish the City’s official compensation package policy for its elected officials.

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

1. Title. This Resolution may be referred to as the City’s “Official Compensation Package Policy for Elected Officials” (**Policy**).
2. Authority. This Policy is adopted pursuant to the provisions of the 2020 City of The Dalles Charter, ORS Chapter 244, OAR Chapter 199, and the *City Council Rules and Code of Conduct Policy*, as may be amended or superseded.
3. Purpose. The purpose of this Policy is to encourage all City electors to participate in City governance by reducing economic barriers to public service, compensate City officials commensurate with and reflective of their substantial time commitment to the City, and reimburse City officials for reasonable City-related expenses associated with that commitment.
4. Applicability. The provisions of this personnel Policy apply to Councilors and the Mayor as the City’s elected public officials.

5. Official Compensation Package.
 - A. Monthly Payments. During the term of their offices, the City shall officially compensate Councilors \$400.00 per month and the Mayor \$500.00 per month, payable at the same time all other City employees are paid; provided, however, Councilors and the Mayor shall receive a cost-of-living adjustment to their monthly payments based on the United States Bureau of Labor Statistics Consumer Price Index then-applicable to the City, as determined by the Finance Director, each July 1.
 - B. Reimbursement of Expenses. The City shall directly pay Councilors and the Mayor for their City Manager-approved expenses incurred in the conduct of their official duties on behalf of the City.
6. No Other Compensation or Expectation. Other than as described in Section 5 of this Policy, neither Councilors nor the Mayor shall receive (as a consequence of holding their respective elective offices) any City employment benefits available to other City employees, including medical insurance coverage, disability insurance benefits, life insurance benefits, and inclusion in the City's retirement program offered pursuant to 26 U.S.C. § 401(a). Neither Councilors nor the Mayor are expected to perform a minimum number of hours of service in exchange for any compensation authorized by this Policy.
7. No Proration. The timing for all payments authorized by this Policy shall be subject to the City's payroll practices applicable to all other City employees; provided, however, the City's first monthly compensation to new Councilors or Mayors shall be for the month they take their oath of office, without regard to any proration.
8. Budget. Notwithstanding any other provision of this Policy, all compensation, adjustments, and reimbursements are expressly conditioned on whether sufficient budgetary resources are allocated through the City's annual budget process consistent with Oregon Local Budget law.
9. Waiver. Any person entitled to receiving compensation under the provisions of this Policy (including Councilor-elects and Mayor-elects prior to assuming their respective office) may waive such compensation at any time in writing submitted to the City Manager.
10. Withholdings. All payments authorized by this Policy shall be subject to all customary or required tax withholdings applicable to all other City employees.
11. Appendix. This Policy shall be appended to the *City Council Rules and Code of Conduct Policy*, as may be amended or superseded.
12. Rescission and Repeal. The provisions of all previously approved motions and Council actions and previously adopted documents, rules, resolutions, and policies inconsistent with this Policy are hereby rescinded or severed from such instruments and repealed as a matter and by operation of law, as appropriate.

13. Future Effective Date. This Resolution shall be effective January 1, 2025.

PASSED AND ADOPTED THIS 14TH DAY OF OCTOBER, 2024,

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

AND APPROVED BY THE MAYOR THIS 14TH DAY OF OCTOBER, 2024.

Richard A. Mays, Mayor

ATTEST:

Amie Ell, City Clerk