

**CITY OF MILWAUKIE
CITY COUNCIL WORK SESSION
FEBRUARY 1, 1999**

Mayor Tomei opened the work session at 5:30 p.m. in the Public Safety Building Community Meeting Room.

Present were Councilors Kappa, King, Lancaster, and Marshall.

Staff Present: City Manager Bartlett; Assistant City Managers Bennett and Richards; Finance Director Gehlen; and Associate Planner Gessner.

Auditor Chuck Swank, Grove, Mueller, Hall & Swank, CPA.

Functional Plan Steering Committee Members Molly Jo Hanthorn and Ed Zumwalt.

Park and Recreation Board Members: Sandy McCune, Darlene Walsh, Sharon Van Horn, and Don McCarty.

Information Sharing

1. The group discussed developing a citizen recognition policy.
2. **Councilor King** announced the Johnson Creek Watershed Summit and policy-making meeting on February 8. The group hopes to develop a memo of understanding between the various jurisdictions in the watershed.
3. **Councilor King** announced the opening of a housing facility for singles on the order of the Annie Ross House.
4. **Councilor King** provided newsletter samples and suggested looking at an alternate paper to reduce costs.
5. The group discussed upcoming meetings: February 3 and 10 Strategic Directions; February 19 and 20 League of Oregon Cities Elected Officials Workshop; and February 24 Customer Service Training with Bud Kass. Councilor King indicated she would not be available on the 24th, and Councilor Lancaster was concerned he might not be available for the February 16 Council meeting.
6. **Councilor Kappa** asked the purpose of the Functional Plan Compliance work session, and **Bartlett** indicated it was for the purpose of providing staff direction.

7. **Mayor Tomei** noted a meeting with Karl Rhode, Clackamas Cities representative to Joint Policy Advisory Committee on Transportation (JPACT), to discuss the group's position.
8. **Councilor King** asked for clarification regarding a quorum of Councilors attending a meeting such as JPACT. **Bartlett** responded that if someone perceived a quorum moving toward deliberation at such a meeting, that person could file a complaint with the Government Standards and Practices Commission alleging an open meetings law violation. Normally, the jurisdiction hosting a meeting is responsible for the public notice.

Councilor Kappa noted that many Council members are on overlapping committees and are invited to provide an opinion. **Bartlett** said jurisdictions are most effective when speaking with one voice and one person is trusted to speak for the agency. **Mayor Tomei** agreed that the Council needed to discuss issues, reach consensus reached, and designate a person to speak for the group.
9. **Councilor Lancaster** provided an article on the success of small towns in promoting seasonal events.
10. **Councilor Lancaster** referred to the Community Development Block Grant information and asked if Milwaukie's School Trip Safety Program would be funded. **Bartlett** felt the projects would be fully funded.
11. **Councilor Lancaster** asked if staff had a response to his earlier question about *Rogue Valley Realtors vs. City of Ashland* and potential impact to the City's flaglot ordinance. **Councilor Marshall** did not believe the situations were related. **Bartlett** did not believe any amendments to the City ordinance would be necessary.
12. **Councilor King** announced she had volunteered to be the Festival Daze entertainment co-chair and was hoping to find ways to involve Neighborhood District Associations (NDA) and youth.
13. **Councilor King** noted the Problem Solving Partnership (PSP) had completed it process, and a project report would be available. Milwaukie Together! may agree to act in a clearinghouse capacity to continue some of the PSP projects.
14. The group discussed attendance at an upcoming Joint Policy Advisory Committee on Transportation (JAPCT) meeting.

Comprehensive Annual Financial Report for Fiscal Year 1997 - 1998

Gehlen introduced Chuck Swank, Grove, Mueller, Hall & Swank, CPA. **Swank** provided an overview of Milwaukie's Comprehensive Annual Financial Report for the fiscal year ending June 30, 1998. The City's general purpose financial statements accurately reflected Milwaukie's financial position in a manner consistent with generally accepted accounting principles. He reviewed the auditor's comments and disclosures required by Oregon Administrative Rules.

Councilor Kappa commented that the format seemed more difficult to read than previous CAFRs.

Bartlett said there has been a recent effort to be consistent with private sector reports.

Councilor Lancaster referred to CAFR page *vi* and asked for clarification of the term "operating transfers."

Bartlett said operating transfers are generally monies charged to one fund that go to the benefit of another. For example, clerical services should be charged to those who receive the benefit.

Swank referred to CAFR page 19 and discussed circumstances under which money is moved from one fund to another.

Bartlett added specific reasons for transfers have included School Trip Safety Program projects, riverfront property purchases, and administrative services.

Councilor Lancaster referred to CAFR page 63 and commented that rates, with the exception of Tri-Met and Metro, have gone down.

Bartlett said these are pass through costs over which the City has no control, and each entity files with the Clackamas County tax assessor based on voter approved rates.

Councilor Lancaster referred to CAFR page 74 and the comment on the adequacy of collateral securing depository balances.

Swank said the State of Oregon requires that funds not exceed FDIC, and, during the audit, it was noted that Milwaukie had exceeded that insured balance a couple of times during the fiscal year.

Councilor Marshall asked who was responsible for monitoring the balance. He felt it would be difficult for the City to do so.

Swank said banks have little capability to monitor these balances.

Bartlett said the City can normally anticipate payments and deposits and monitors to legally comply with state regulations.

Councilor Lancaster observed that the extremely low indebtedness spoke very well for the City of Milwaukee.

Councilor Kappa asked if a cover page could be prepared to explain the document.

Bartlett said the City normally prepares a "popular" version for the public.

Councilor Marshall commented that 3% indebtedness seems to put the City in a very good position, and **Bartlett** said the state establishes a 3% debt limit of the true cash value of property within a city's boundaries.

The group appreciated Gehlen's responses and target completion dates to the auditor's comments.

Functional Plan Compliance Report

Gessner updated the City Council on the Functional Plan Compliance process. He discussed issues that arose from the postcards that contained language based on Measure 56 requirements and the response from the community. Staff is looking at ways to improve communication in the future by using the City newsletter and Neighborhood District Association (NDA) meetings. About 150 concerned residents and property owners attended the January 26 Planning Commission hearing, and he felt many questions were answered. Staff will look for a vehicle to provide more information on the actual changes in future notifications.

M. Bennett said staff would look at staging and phasing these land use actions to reduce expenses. There will likely be another series of hearings in the fall, so staff will look for a way to balance not only costs of the notice itself, but also how to enhance public relations and staff time commitment.

Gessner reviewed the hearing schedule: Planning Commission on February 9 at St. John's Episcopal and the City Council on February 16 at the Milwaukee Center.

Mayor Tomei asked if liaisons would present information at the NDA meetings, and **Bartlett** responded that due to the technical nature of the Plan, it would be more appropriate for a Planner to answer questions.

Councilor King thought the information sheet mailed with the water bills explaining how the storm water fees were used was excellent. She asked if Measure 56 information could be sent with the utility bills.

Bennett said Measure 56 notices are required to go to property owners, so including them with the water bill would supplement but not replace direct mailings.

The group discussed the 500 square foot size limit of an accessory dwelling unit and related parking issues.

Councilor Kappa referred to Title 4 restrictions and asked for information on home occupations and parking requirements.

Gessner said home occupation revisions are not required to comply with the Functional Plan, and generally these types of businesses should have minimal impact on the neighborhood.

Councilor Marshall appreciated home occupations to a certain degree, but he was concerned about possible neighborhood disruptions. He recommended dealing with that issue now, and **Councilor Kappa** agreed.

Gessner discussed minimum and maximum parking requirements. There is no specific prohibition on the number of people coming to a home occupation site. The standards are very subjective and, if limited, would result in limiting home occupations.

Councilor Marshall discussed establishing criteria for the term "outward appearance of doing business." People wishing to establish a home occupation would know what is expected of them by the community.

Councilor Lancaster felt it might be preferable to be objective at this point and look at how neighbors are affected on a case-by-case basis.

The group agreed it would be appropriate to include language that better defines home occupation standards. **Gessner** said he would research other cities' ordinances.

Councilor King asked when Milwaukie would be redesignated as a Town Center, and **Gessner** responded when the Metro Council accepts the request.

Milwaukie Neighborhood Request for Fiscal Year 1999 - 2000 Parks District Funding

Richards provided the City Council with a list of priority projects and briefly summarized the information presented by Park and Recreation Board (PARB) members at the January 19, 1999, Council work session. The Board identified, in descending priority, skate board park/youth center; all age recreation activities; parks land acquisition; waterfront and Elk Rock Island; bike, pedestrian, and connecting trails; and wetlands and open spaces. The purpose of the work session was to get Council direction on these priorities, prepare a resolution for adoption, and forward the list to the North Clackamas Parks and Recreation District (NCPRD) to include in its budget deliberations.

Councilor Kappa asked if there was any thought of involving the North Clackamas School District Board in some of the project. He saw three potential partners in the skateboard park/youth center project.

Richards responded that partnering and funding options were under discussion. She suggested the resolution contain a priority to expand volunteer opportunity awareness.

Council agreed that parks land acquisition should be given a higher priority.

Councilor Kappa suggested the youth center/skateboard park as the second priority.

Walsh said the Board had considered co-priorities but was concerned about taking on concurrent projects.

Councilor Lancaster agreed there should be a balance, but land acquisition could take decades.

Mayor Tomei felt land acquisition for trails could be done concurrently, and **Richards** suggested trails and wetlands be elements of property acquisition rather than standalone items.

Mayor Tomei concurred that Elk Rock Island should be annexed into the City. She also suggested the waterfront priority be held over for a year until the consultant and Riverfront Board have had a chance to assess redevelopment possibilities.

The group discussed the Milwaukie outdoor pool and its long-term viability.

Councilor Marshall noted the success of the youth center pilot project. He recommended setting up a non-profit entity, involving youth, and seeking grants to maintain momentum on the project. Some person or entity needs to take the lead and provide continuity.

Van Horn added that Oregon City donated three acres of land near the McLoughlin Boulevard McDonald's for possible skateboard park. The site is centrally located and is easily accessible by public transportation.

The group agreed it would be preferable to partner on this project, and **Councilor Kappa** suggested speaking with Milwaukie Together!

Fee Increase

Bartlett discussed the proposed fee increases that the City Council would consider at its regular session on February 2, 1999. The 1995 Cost of Service Study provided the basis for charging these fees with a 50-60% cost recovery. Most of the proposed increases were about 10%.

Councilor Marshall suggested the City move toward 100% recovery to help fund needed projects. The public, he added, does not want to subsidize special needs.

Bartlett recommended a new study be budgeted in 2000 so future fee increases would not be challenged. If approved in the 1999 - 2000 budget, the study could probably start in September and take about 90 - 100 days to complete.

Councilor Lancaster noted the ancillary benefit of analyzing all of the City systems.

Mayor Tomei announced the Council would meet in executive session pursuant to ORS 192.660.

The work session ended at 8:25 p.m.

Pat DuVal, Recorder