

## MINUTES

### MILWAUKIE CITY COUNCIL FEBRUARY 17, 2004

#### CALL TO ORDER

Mayor Bernard called the 1928<sup>th</sup> meeting of the Milwaukie City Council to order at 6:30 p.m. in the City Hall Council Chambers. The following Councilors were present:

Council President Larry Lancaster  
Councilor Joe Loomis

Councilor Deborah Barnes  
Councilor Susan Stone

Staff present:

Mike Swanson,  
City Manager  
Alice Rouyer,  
Community Development/Public  
Works Director

Jeff King,  
Project Manager

#### PLEDGE OF ALLEGIANCE

#### CONSENT AGENDA

It was moved by Councilor Barnes and seconded by Councilor Stone to approve the Consent Agenda that consisted of:

- A. City Council Minutes of February 3, 2004;
- B. Roof Repair of the Public Safety Building;
- C. Liquor License Applications for Oregon Transfer, 9304 SE Main Street and 9696 SE Omark Drive; and
- D. Liquor License Application for Kimmy's Market, 3141 SE Harrison Street.

Motion passed unanimously.

AUDIENCE PARTICIPATION – None.

PUBLIC HEARING – None Scheduled

#### OTHER BUSINESS

#### Economic Development Advisory Committee and Business Outreach Program

Project Manager Jeff King presented the staff report in which the City Council was asked to consider the charge statement for a short-term Economic Development

Advisory Committee and define the roles and participation for the Business Outreach Visitation Program. He commented on the economic development proposals being funded in part by a grant from the Mt. Hood Economic Alliance. At the January 2004 Council meeting some of the components were discussed two of which addressed the outreach aspect. He is here to present more detail on those programs.

Both focus on the idea of outreach, retention, and coordination with the business community. The benefit would be a mutual understanding of needs, improved communications, and coordinated public/private strategies. The first consideration is to establish a short-term Economic Development Advisory Committee to accomplish three things: provide an overview and input on the grant projects, offer general information on Milwaukie's strengths and weaknesses, and develop recommendations for City Council on future strategies. He believed the Committee could report to Council in September. It would not be a decision-making body. King reviewed the proposed make-up of the 18-member Committee.

**Mayor Bernard** suggested requiring a quorum to hold a meeting.

**King** asked if the City Council was interested in selecting or identifying members for the Committee.

**Mayor Bernard** said Councilor Barnes volunteered, and the other City Council members did not object. He felt comfortable with King talking with potential members.

**Councilor Stone** was also comfortable with that since the interview process takes a substantial amount of time. She hopes the membership would be balanced between business and community.

**Mayor Bernard** suggested the Neighborhood District Association (NDA) leadership select a representative.

**Councilor Stone** noted one of the proposed membership slots was for organized labor.

**King** said traditionally organized labor brings a different perspective, and the overall importance of the Committee will be to bring different viewpoints together. Milwaukie has a fair number of distributors, and traditionally they are unionized.

**Mayor Bernard** felt the list covered most groups.

**King** will work with staff on names of individuals and will contact the City Council if he has any issues.

**Councilor Stone** thought that was a good idea, and if any Council member has suggestions he or she should contact King.

**King** will forward names to Council for input and vetting.

**Councilor Barnes** suggested contacting Wilda Parks for names of people who have gone through the Chamber Leadership Program.

**King** said the second piece is the business outreach and visitation program. The benefit will be building relationships between the City and the businesses. He proposed sending 3 to 5 members to a business to gather information on how it views Milwaukie and Oregon in general in order to draft larger strategies. He provided a list of the top employers in Milwaukie. There could be one or two meetings each week with staff, Council, and resources such as the Chamber, county, or state. The businesses would be asked to complete a survey to provide additional information on other economic development resources.

**Councilor Barnes** would like a packet of information developed to provide to these businesses.

**King** said a sub-committee that includes Wilda Parks is discussing that type of outreach tool. He discussed eventually moving beyond the top employers to reach other businesses.

#### **Advisory Board Appointments**

**Mayor Bernard**, with consensus from Council, appointed Jamal Harvey to the Cable Access Studio Ad Hoc Committee.

#### **Advisory Board Interview**

The City Council interviewed David Colpo for a vacant position on the Budget Committee.

#### **Consider Letter of Support for North Clackamas Parks and Recreation District System Development Charges**

**Swanson** provided a revised draft letter of support for the North Clackamas Parks and Recreation District (NCPRD) system development charges (SDC). The previous draft discussed two weeks ago expressed support to the governing body, the Board of County Commissioners. There were concerns at that time about the per employee charges on businesses. The issue was the timing of the assessment. Since that meeting two weeks ago, the district advisory board met and decided to send the entire SDC package to the County Commissioners. Additionally, the advisory board is attaching a letter recommending that if the Commissioners feel strongly that the non-residential charge is unfair or does not come at a good time, then the Board recommends at least passing the residential rate. The homebuilders have endorsed the residential portion whether or not the non-residential portion is adopted. They have also recommended the commissioners not increase the total SDC assessment to residential.

**Swanson** understands the County Commissioners will consider the first reading this week, and there is a good chance the Commissioners will look more favorably upon just

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an assessment on the residential side. The proposed letter reflects support in light of the changing reality. It does not appear the non-residential charge will be adopted. He does recommend favorable consideration of the draft letter with that new reality in place.

**Councilor Stone** was concerned about the residential fee going up; it is almost doubled. That does not seem to fall within the rate of inflation over the past ten years. She is also concerned with builders passing this charge along to individuals. She asked for an explanation of the doubling of the residential charge.

**Swanson** said one approach is to look at the SDCs in terms of where they have been. They were first created in 1994 and have not been increased since that time. Compared to other jurisdictions, NCPRD is at the bottom of the SDC ladder. The proposed increase would put NCPRD at about the mid-point. He assumes the homebuilders perceive some benefit to their marketing capabilities by being able to point out recreation, parks, and open space opportunities to prospective buyers. For the most part, Milwaukie deals with small developers who are also represented in the homebuilders association. The District is competing with other jurisdictions to get people to locate in the area and raise their families. One way to do that is to offer services, and this will help put the District in a competitive position for parks and recreation. The capital improvement plan (CIP) was reduced by about \$100 million in order to get to this proposal. He was impressed with the extent to which the District went to get input from the public on which projects they felt were important. In terms of Milwaukie's projects, there would be a substantial increase to the Riverfront Project, Spring Park, the Trolley Trail, as well as some of the City's smaller parks. Milwaukie's riverfront development is recognized as having district-wide significance.

**Councilor Stone** understands the SDC for a single-family dwelling is more than it is in Multnomah County.

**Swanson** noted that Portland voters have approved parks levies over the past several years. If one looks at total dollars, he would guess that Portland is far above NCPRD in terms of property taxes dedicated to parks and recreation.

**Councilor Stone** has a problem with the charge doubling even though it has not been changed in ten years. It seems a bit much to double it when looking at the rate of inflation. It ultimately gets passed along to the homebuyers.

**Councilor Lancaster** cannot support a tax of any kind at this time.

**Councilor Barnes** added up the projects, and Milwaukie would get \$976,000 for its parks and recreation projects. Anything the City Council can do to help the City and its residents is a good investment. She supports the letter.

**Councilor Stone** asked Barnes how she arrived at that amount.

**Councilor Barnes** explained she added up the estimated cost of each of the priority 1 projects on the list with specific ties to Milwaukie. These include the Riverfront, Trolley Trail, Spring Park, and various neighborhood parks.

**Swanson** said SDCs are an attempt to get new construction to contribute to the added demand placed on the system. The theory is those who are here now have been paying all along to create and support the system. New people coming in have their share of the responsibility to pick up their share of the burden. This SDC does not assess people who are here now. It assesses new construction and is an attempt to get them to pick up their fair share of the increased demand on the overall system.

**Councilor Loomis** said SDCs are a one-time fee rather than a tax. More people means more demand on facilities. He feels poor leadership is the reason SDCs have not been increased for ten years making it impossible to purchase new park land. The District actually has very little in the way of facilities. The growth east of I-205 is putting more pressure on the facilities to the west. Milwaukie is built out. He discussed the four zones in the fee structure. One of the pots of money goes to regional projects such as Milwaukie's Riverfront, Spring Park, and other projects that will benefit the City. He believes it is a smart move on Milwaukie's part to support this proposal because it will benefit the City. Levies have failed because voters did not support the District leadership, but now the new District Director is making great strides. The homebuilders and youth groups support this proposal. Milwaukie cannot take its parks department back, and the City needs to support the District. This SDC proposal offers some great benefits to Milwaukie. The developers have been skating, and they show their understanding of that by supporting the proposal.

**Swanson** noted the SDC is about 1% of the total cost of a new home.

**Councilor Stone** commented in terms of the revised letter. What was the reason for not including commercial development?

**Swanson** guessed the Board recognized there would not be as much use by the businesses, which would have been asked to shoulder a \$5 million burden. He speculates that since both the County and City are looking for new businesses, this was determined not to be a good time to put up any kind of stumbling blocks to commercial development.

**Mayor Bernard** said those were his comments the last time, and Councilor Lancaster opined the timing was not right. He urged caution until the economy turns around. When people move to a community, they need to share in the burden by paying the SDC. It is a pay as you grow idea. It is also consistent with concurrency – do not build until the infrastructure is there. He personally feels the park system is a very important part that infrastructure. Timing and usage were his issues with the first iteration of the letter. He is not interested in paying more taxes. He contacted the homebuilders to confirm their support, and they do so whole-heartedly. He also had contact with Oak Lodge residents, District Director Ciecko, and Clackamas County CEO Jon Mantay and

their contacts had indicated the timing was bad for a non-residential SDC. He supported the revised letter.

It was moved by Councilor Barnes and seconded by Councilor Loomis to authorize the Mayor to sign the letter of support for the North Clackamas Parks and Recreation District (NCPRD) system development charges (SDC). Motion passed 3 – 2 with the following vote: Mayor Bernard, Councilor Barnes, and Councilor Loomis aye; Councilor Lancaster and Councilor Stone nay.

Mayor Bernard announced the City Council would meet in executive session immediately following adjournment under the authority of Oregon Revised Statutes 192.660(c) – performance evaluation of public officers and employees and 192.660(h) -- real property transactions.

**ADJOURNMENT**

It was moved by Councilor Barnes and seconded by Councilor Lancaster to adjourn the meeting. Motion passed unanimously.

Mayor Bernard adjourned the regular session at 7:15 p.m.

*Pat DuVal*

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Pat DuVal, Recorder