



**MINUTES**  
**MILWAUKIE CITY COUNCIL**  
[www.milwaukieoregon.gov](http://www.milwaukieoregon.gov)

**WORK SESSION**  
**NOVEMBER 3, 2015**  
 City Hall Conference Room

**Mayor Gamba called the Work Session to order at 4:00 p.m.**

**Council Present:** Council President Lisa Batey and Councilors Scott Churchill, Wilda Parks, and Karin Power (phone)

**Staff Present:** City Manager Bill Monahan, City Recorder Pat DuVal, Assistant to the City Manager Mitch Nieman, Planning Director Denny Egner, Finance Director Casey Camors, Assistant Finance Director Bonnie Dennis, Code Compliance Coordinator Tim Salyers, and Community Development Director Alma Flores

**Urban Renewal Feasibility**

**Mr. Egner** introduced Nick Popanuk, Project Manager with ECONorthwest, and Elaine Howard, with Elaine Howard Consulting, LLC.

**Mr. Popanuk** explained that the discussion would focus on Milwaukie's past and possible future use of urban renewal districts.

**Mr. Monahan** asked that the presenters note the title of the slide they are referencing so Council and the public could follow along.

**Ms. Howard** provided an overview of how urban renewal works, and the group discussed revenue sharing with other taxing districts and the impacts of identifying the maximum indebtedness that sets revenue sharing caps and triggers.

**Mr. Popanuk** reviewed the history of urban renewal discussions in Milwaukie, reported that technical studies have shown that urban renewal is feasible in the City, and suggested that the question was how and if the City wanted to use urban renewal. He reviewed the proposed urban renewal feasibility study scope of work and timeline.

**Ms. Howard** reviewed factors that determined an urban renewal boundary size and reviewed the pros and cons of creating a single big boundary area. **Council President Batey, Councilor Parks, and Ms. Howard** noted that the identified urban renewal areas in the City could be included in a single boundary or in three separate districts.

**Councilor Churchill, Mr. Popanuk, and Ms. Howard** discussed how and when assessed value growth projection data was generated, and they noted the importance of setting expectations when drafting the original urban renewal plan. They commented on annual taxing growth rates, the use of averaged historical tax rates to generate future projections, and the impact of boundary size on growth rate projections.

**Council President Batey** asked if other taxing districts would be more receptive to a single big boundary area. **Mr. Popanuk** remarked that other taxing districts have responded favorably to larger and quicker urban renewal areas, and he noted the importance of including other taxing districts in urban renewal conversations.

**Councilor Churchill** asked how bond underwriters view urban renewal district size. **Ms. Howard** and **Mr. Popanuk** replied that underwriters did not like districts to be less than 100 acres or focused on a single purpose.

**Mr. Monahan** reconnected Councilor Power to the conversation by phone.

**Ms. Howard** reviewed the pros and cons of creating small boundary areas. **Mayor Gamba** and **Ms. Howard** discussed the advantages of creating three small urban renewal districts and the impact of unanticipated opportunity projects.

**Ms. Howard** commented that every urban renewal district was different based on the community. **Mr. Popanuk** suggested that Council should be confident that each urban renewal district could financially stand on its own and consider the administrative, financial, and policy focus of creating one or three urban renewal districts.

**Ms. Howard** noted the limitations on expanding urban renewal districts.

**Council President Batey**, **Ms. Howard**, and **Mr. Popanuk** discussed site-specific urban renewal project limitations and tax revenue accrual speed.

**Councilor Parks** and **Ms. Howard** commented on the importance of public involvement in the urban renewal project vetting process.

**Ms. Howard** asked for Council input on what was most important about urban renewal.

**Councilor Churchill** and **Mr. Popanuk** discussed bond underwriters' preferred urban renewal area size and how underwriters' fees were determined.

**Council President Batey** and **Councilor Parks** noted that the Central Milwaukie urban renewal area would be 116 acres, the Downtown Milwaukie area would be 120 acres, and the North Milwaukie Industrial Area would be 282 acres.

**Mr. Popanuk** reviewed the goals, obstacles, and benefits of urban renewal identified in the Downtown, Central, and North Industrial areas. He asked for Council direction and input on the City's urban renewal goals for future discussions and project planning.

**Councilor Power** expressed interest in hearing about short-term urban renewal projects in other communities and remarked that all three of the proposed urban renewal areas in the City have strengths and weaknesses.

**Council President Batey** asked if other streets could be included as connectors along with Harrison Street, and **Mr. Popanuk** replied that other streets could be connectors.

**Council President Batey** asked for information on unanticipated opportunity projects.

**Council President Batey** and **Councilor Parks** asked for information on the process to identify the list of projects covered by the maximum indebtedness cap.

**Councilor Parks** and **Ms. Howard** discussed what parts of a connector street could be included in an urban renewal district.

**Councilors Churchill and Parks** asked that the other taxing districts be identified and that the impacts and risks for those taxing districts be noted. **Mayor Gamba** requested that the impacts on schools be addressed.

**Council President Batey** asked Mr. Popanuk and Ms. Howard to discuss how communities could use urban renewal funding to address affordable housing.

The group discussed the process to identify urban renewal projects and the timeline for future Council discussions on urban renewal. **Councilors Churchill and Parks** noted the increased level of community support when specific projects are identified.

**Mayor Gamba** asked for a list of urban renewal projects from other communities.

**Councilor Power** asked about the timeline for Council to make a decision on urban renewal, and **Mr. Egner** reported that the next Council discussion on urban renewal had been scheduled for the December 1, 2015, Work Session. He suggested that Council could make a decision to pursue urban renewal by the summer of 2016 and he remarked that the complexity of creating a larger district would require Council direction by December 2015 or January 2016.

**Mayor Gamba** asked that staff provide printed agendas for Council to reference.

### **Downtown Parking Permit Fees**

**Ms. Dennis** summarized the fee review process to-date and confirmed that staff was looking for a Council decision on increasing fees at the November 17, 2015, Regular Session so that new fees could go into effect on January 1, 2016. She asked for Council input on raising fees and provided a projection of incremental and full increases.

**Council President Batey** expressed support for incrementally increasing the fee to \$40 per month and remarked that she could support whatever Council decided.

**Mayor Gamba** asked if there would be additional staff work if the fee were incrementally increased, and **Ms. Dennis** reported that there would be system costs but not a huge workload difference for staff.

**Councilor Parks** and **Ms. Dennis** noted that an incremental increase could occur on whatever timeline Council chose.

**Council President Batey** remarked that the sticker shock would be less with an increase to \$40 and would give the City time to gauge the impacts of raising the fee. **Councilor Parks** agreed with Council President Batey and suggested that the price could be left in place for a year to judge public reaction.

**Councilor Churchill** asked Neil Hankerson, Dark Horse Comics Executive Vice President, about the impacts of a parking permit fee increase on his company and employees. **Mr. Hankerson** commented on the impacts of a fee increase on permit purchasers and noted that he was unsure of the justification for raising the fee.

**Mayor Gamba** asked if Dark Horse provided employee transit passes. **Mr. Hankerson** explained that Dark Horse provides an employee subsidy for TriMet passes and City parking permits, and he discussed the benefits of purchasing parking permits in bulk.

**Councilor Parks** asked about the impacts of quarterly and six-month permits, and **Mr. Hankerson** and **Ms. Dennis** reported that the longer-term permits took less staff time.

**Mayor Gamba** expressed support for a tiered fee increase over a one year period, and **Councilors Parks and Churchill** expressed their agreement with Mayor Gamba.

**Mayor Gamba** noted that the reason for moving away from six-month permits was because new businesses were unable to buy passes for months at a time since other businesses had purchased the six-month permits in advance.

**Council President Batey** noted the cost savings for the City and businesses in allowing bulk permit purchases, and she expressed concern about bulk purchased permits being used for light rail riders. She asked if the City required bulk purchasers to prove they work at a Downtown business. **Ms. Dennis** and **Mr. Salyers** reported that the City required permit purchasers to prove they worked downtown.

The group noted that the current bulk purchase discount was 10% when 10 or more permits were purchased, and they discussed whether or not a 10% discount with an increased fee would be appropriate given the costs of administering the permit program.

**Councilor Power** expressed support for a bulk purchase discount and suggested that a fee increase would encourage people who work Downtown to use public transportation. **Councilors Parks and Power** noted that a parking permit fee increase would bring the cost of parking downtown closer to what it costs to use public transportation.

**Mayor Gamba** and **Ms. Dennis** agreed that verifying that businesses offer employee transportation incentive programs would require additional staff time. **Ms. Dennis** asked for input on the kind of incentives Council would like to see offered by employers.

**Mr. Hankerson** reported that Dark Horse employees can purchase a discounted parking permit or a public transportation pass. **Mayor Gamba** and **Council President Batey** asked if Dark Horse could verify employee use of public transit incentives, and

**Mr. Hankerson** explained that Dark Horse reimburses employees directly for their individual purchase of a parking permit or a TriMet pass.

The group discussed TriMet programs that offer bulk pricing discounts to employers purchasing passes for their employees. **Mayor Gamba** and **Council President Batey** suggested that the City could look at forming a transportation management agency (TMA) as a goal for 2017 while considering how to handle a fee increase in 2016.

**Councilor Parks** suggested that the bulk purchase discount be kept and that the City should ask businesses if they offered an employee transportation incentive program.

**Mr. Monahan** and **Councilor Parks** discussed ways the City could reach out to TriMet to provide information to businesses on existing incentive programs.

The group noted that most downtown permit parking spots were currently unavailable.

**Mayor Gamba** summarized that Council was comfortable with keeping the 10% bulk purchase discount, limiting the permit duration to quarterly, and increasing the fee to \$40 in January 2016 and \$50 in January 2017 while Council considers forming a TMA.

The group discussed public transportation incentive programs the City could offer.

**Mr. Monahan** noted that Council would consider adopting the parking permit fee change at the November 17, 2015, Regular Session.

**Council President Batey** asked if Council was going to set a cap on the number of permits each business can purchase. **Mayor Gamba** suggested that caps be considered after the impact of the fee increase is known.

**Mayor Gamba** asked staff if there was a need to adjust the parking citation fee with the permit fee increase, and **Mr. Salyers** reported that the single day parking citation is \$40. He discussed historic citation pricing and possible parking enforcement improvements that could increase the number of parking permits sold.

**Ms. Dennis** confirmed that she had received sufficient direction from Council, and **Mayor Gamba** thanked Mr. Hankerson for his input.

### **Study Session Schedule for 2016**

**Mr. Monahan** explained that due to the proposed schedule of the Clackamas Cities Association (CCA) dinners it was his recommendation that Council consider scheduling Study Sessions on the 3<sup>rd</sup> Thursday of each month in 2016. He added that the City was scheduled to host the CCA dinner on the 4<sup>th</sup> Thursday of January 2016.

**Council President Batey** expressed concern about other CCA cities changing their dinner nights to the 3<sup>rd</sup> Thursday and suggested that Council be flexible in adjusting the Study Session schedule. **Mr. Monahan** noted the difficulty in rescheduling Study Sessions depending on the topics and presenters lined-up for each meeting.

The group expressed frustration with the inconsistent coordination of CCA dinners.

### **Agenda Forecaster Review**

**Mr. Monahan** reviewed items scheduled for upcoming Council meeting agendas, and the group discussed the Kellogg Bridge Bike and Pedestrian connectors.

### **Matching Commitments for Grant Opportunities**

**Mr. Monahan** and **Mr. Eaton** discussed two grant funding opportunities for bike and pedestrian enhancement projects and asked for Council direction on which grants and matching amounts to pursue for the Kronberg Park and Railroad Avenue projects.

**Mayor Gamba** suggested that staff should focus on the Connect Oregon Grant for \$440,000 for the Kronberg Park project. **Council President Batey** noted the possibility of using Kellogg Good Neighbor funds to match work at Kronberg Park.

The group noted that the project cost estimates were taken from the North Clackamas Parks and Recreation District (NCPRD) 3 Parks Master Planning process.

**Mr. Eaton** asked if the Council wanted staff to seek participation in the Enhance It Program to complete sidewalk projects around Linwood School.

The group discussed the disadvantages of seeking funds from the Enhance It Program.

**Councilor Power** discussed the possibility of bonding against remaining Kellogg Good Neighbor funds to pay for the Kronberg Park project.

**Mr. Monahan** summarized that Council was directing staff to focus on the Connect Oregon grant opportunity for the Kronberg Park project.

**Council President Batey** and **Mr. Eaton** commented on the urgency and prioritization of the Kronberg Park and Railroad Avenue projects.

**Mayor Gamba** adjourned the Work Session at 5:49 p.m.

Respectfully submitted,



Scott S. Stauffer, Administrative Specialist II

This page intentionally left blank.