

**REGULAR MEETING OF THE  
WOOD VILLAGE CITY COUNCIL  
March 8, 2016  
AGENDA**

**6:00 P.M. PLEDGE OF ALLEGIANCE**

1. Citizen Comments (non-agenda items)
2. Public Safety Report (MCSO)
3. Consent Calendar:
  - a. [Review of bills paid in February, 2016](#)
  - b. Contracts \$2,500 - \$50,000
    - Institute for Conflict Management: City Council Retreat - \$3,150
    - Evoqua Water Tech: Bioxide: \$6,425.38
  - c. Council Minutes:
    - [February 9, 2016](#)
    - [February 25, 2016](#)
4. Presentation: Summer Lunch Program – Tom Miles
5. [Town Center Master Plan Update](#)
6. [Resolution 6-2016: Consideration of Enterprise Zone Revisions](#)
7. Discussion: City Entry Sign Designs

**[WORKSHOP: 2016-17 Annual Performance Plan](#)**

**ADJOURN**

**The meeting location is wheelchair accessible. This information is available in large print upon request. To request large-print documents or for accommodations such as assistive listening device, sign language, and/or oral interpreter, please call 503-667-6211 at least two working days in advance of this meeting.**



City of Wood Village

# Check Report

By Check Number

Date Range: 02/01/2016 - 02/29/2016

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
<b>Bank Code: AP Bank-AP Bank</b>						
0431	76 FOODMART	02/04/2016	Regular	0.00	128.54	20662
0505	CITY OF FAIRVIEW	02/04/2016	Regular	0.00	63.92	20663
0510	CITY OF GRESHAM	02/04/2016	Regular	0.00	28,989.31	20664
0579	COLUMBIA PEST CONTROL	02/04/2016	Regular	0.00	65.00	20665
1028	EXPRESS ENVELOPES	02/04/2016	Regular	0.00	1,056.94	20666
1120	FRONTIER	02/04/2016	Regular	0.00	169.77	20667
1220	GRAINGER	02/04/2016	Regular	0.00	186.30	20668
1388	INSTITUTE FOR CONFLICT MANAGEMENT, INC	02/04/2016	Regular	0.00	3,150.00	20669
1410	JAN-PRO CLEANING SYSTEMS	02/04/2016	Regular	0.00	235.00	20670
1571	LOWES COMPANIES, INC	02/04/2016	Regular	0.00	522.81	20671
	**Void**	02/04/2016	Regular	0.00	0.00	20672
1760	MOEN MACHINERY COMPANY	02/04/2016	Regular	0.00	773.36	20673
1775	MULTNOMAH CO.TREASURY	02/04/2016	Regular	0.00	21,670.49	20674
2236	PETTY CASH	02/04/2016	Regular	0.00	143.59	20675
10011	PIXIS LABS, LLC	02/04/2016	Regular	0.00	3,928.80	20676
10073	PRICELINE.COM LLC	02/04/2016	Regular	0.00	13.10	20677
0098	AMERICAN BACKFLOW PREVENTION ASSOC.	02/11/2016	Regular	0.00	85.00	20678
0170	AT & T MOBILITY	02/11/2016	Regular	0.00	397.99	20679
0284	BRASHER'S AUTO BODY & PAINT	02/11/2016	Regular	0.00	1,065.94	20680
0287	BRENNTAG PACIFIC INC	02/11/2016	Regular	0.00	976.88	20681
0309	BUILDING CODE CONSULTANCY	02/11/2016	Regular	0.00	2,280.01	20682
10033	CHR CREATIVE	02/11/2016	Regular	0.00	270.00	20683
0635	CONSOLIDATED ELECT. DIST., INC	02/11/2016	Regular	0.00	213.92	20684
2660	EVOQUA WATER TECHNOLOGIES LLC	02/11/2016	Regular	0.00	6,425.38	20685
1028	EXPRESS ENVELOPES	02/11/2016	Regular	0.00	100.00	20686
1229	GRAYBEARD'S WOVEN WIRE FENCE CO	02/11/2016	Regular	0.00	1,795.00	20687
2996	GRESHAM URGENT CARE	02/11/2016	Regular	0.00	75.00	20688
1303	HARBOR FREIGHT TOOLS	02/11/2016	Regular	0.00	624.98	20689
0960	KIP EDGLEY	02/11/2016	Regular	0.00	1,920.00	20690
1910	NOLAN'S TIRE FACTORY	02/11/2016	Regular	0.00	157.90	20691
2046	OPENONLINE, LLC	02/11/2016	Regular	0.00	41.63	20692
2180	OREGON WATER EDUCATION FOUNDATION	02/11/2016	Regular	0.00	430.00	20693
2233	PETERSON MACHINERY CO	02/11/2016	Regular	0.00	448.41	20694
2270	PGE	02/11/2016	Regular	0.00	4,995.96	20695
2350	POSTMASTER	02/11/2016	Regular	0.00	700.00	20696
10057	CENTURY WEST ENGINEERING CORP	02/18/2016	Regular	0.00	3,360.00	20697
1056	FIERCE THOUGHT	02/18/2016	Regular	0.00	110.00	20698
1120	FRONTIER	02/18/2016	Regular	0.00	26.96	20699
1200	GLOBAL NETWORK SUPPORT INC.	02/18/2016	Regular	0.00	1,680.00	20700
1610	MASTERTECH SECURITY SVC	02/18/2016	Regular	0.00	80.85	20701
1940	NORTHWEST ARBOR CULTURE INC.	02/18/2016	Regular	0.00	8,502.89	20702
1960	OFFICE DEPOT CREDIT PLAN	02/18/2016	Regular	0.00	259.47	20703
2181	OREGON HEALTH AUTHORITY	02/18/2016	Regular	0.00	90.00	20704
2209	PARKIN ELECTRIC	02/18/2016	Regular	0.00	217.48	20705
2270	PGE	02/18/2016	Regular	0.00	3,159.74	20706
2161	STATE OF OREGON	02/18/2016	Regular	0.00	40.00	20707
2704	STERICYCLE COMMUNICATION SOLUTIONS	02/18/2016	Regular	0.00	61.07	20708
10074	URBSWORKS, INC	02/18/2016	Regular	0.00	42.00	20709
0081	AFLAC	02/24/2016	Regular	0.00	280.52	20710
0637	CONST & GEN LABORERS' UNION LOCAL 737	02/24/2016	Regular	0.00	148.00	20711
0137	ARBOR DAY FOUNDATION	02/24/2016	Regular	0.00	15.00	20712
0970	CARQUEST AUTO PARTS	02/24/2016	Regular	0.00	15.48	20713
0530	CITY OF PORTLAND	02/24/2016	Regular	0.00	10,933.11	20714
10075	FLANNERY'S DROP BOX SERVICE INC	02/24/2016	Regular	0.00	245.00	20715

Check Report

Date Range: 02/01/2016 - 02/29/2016

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
1120	FRONTIER	02/24/2016	Regular	0.00	206.68	20716
1220	GRAINGER	02/24/2016	Regular	0.00	167.00	20717
1319	HOME DEPOT/GECF	02/24/2016	Regular	0.00	27.88	20718
1390	INTEGRA TELECOM	02/24/2016	Regular	0.00	597.84	20719
10076	JEANNETTE GAILEY	02/24/2016	Regular	0.00	50.00	20720
1910	NOLAN'S TIRE FACTORY	02/24/2016	Regular	0.00	6.00	20721
2530	REYNOLD'S SCHOOL DISTRICT #7	02/24/2016	Regular	0.00	527.52	20722
2569	RODDA PAINT	02/24/2016	Regular	0.00	70.32	20723
2153	OREGON DEPT OF JUSTICE	02/29/2016	Bank Draft	0.00	600.00	DFT0000296
1880	NATIONWIDE RETIREMENT SOL.	02/24/2016	Bank Draft	0.00	250.00	DFT0000297
0920	CIS TRUST	02/24/2016	Bank Draft	0.00	12,465.73	DFT0000298
2200	OREGON PERS	02/24/2016	Bank Draft	0.00	12,069.76	DFT0000299
1710	MILLER NASH GRAHAM & DUNN LLP	02/24/2016	Bank Draft	0.00	1,452.00	DFT0000300
3097	WELLS FARGO - CA	02/24/2016	Bank Draft	0.00	1,467.04	DFT0000301
3096	WELLS FARGO - FD	02/24/2016	Bank Draft	0.00	2,703.65	DFT0000302
3098	WELLS FARGO - PW	02/24/2016	Bank Draft	0.00	1,662.70	DFT0000303

Bank Code AP Bank Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	122	61	0.00	115,021.74
Manual Checks	0	0	0.00	0.00
Voided Checks	0	1	0.00	0.00
Bank Drafts	46	8	0.00	32,670.88
EFT's	0	0	0.00	0.00
	<b>168</b>	<b>70</b>	<b>0.00</b>	<b>147,692.62</b>

### Fund Summary

Fund	Name	Period	Amount
01	POOLED CASH FUND	2/2016	147,692.62
			<u>147,692.62</u>

**MEETING OF THE  
WOOD VILLAGE CITY COUNCIL  
February 9, 2016  
MINUTES**

**PRESENT:** Mayor Patricia Smith, Council President Tim Clark, Councilors Scott Harden, Bruce Nissen, and Jimmy Frank via phone, City Attorney Jeff Condit, City Manager Bill Peterson, Finance Director Peggy Minter. Public Works Director Scott Sloan, and interested parties.

**ABSENT:** None

**MAYOR SMITH CALLED THE MEETING TO ORDER AT 6:00 PM.**

**CITIZEN COMMENTS**

There were none.

**PUBLIC SAFETY REPORT**

Commander Jason Gates presented the report. Gates stated that for the month of January there were 370 calls for service which resulted in 172 hours of dedicated service. There were 100 traffic stops, 44 subject stops, and 13 vehicle crashes. Gates explained that the top call for service in January was for theft, and most of those originated from the loss prevention services at area stores.

Gates stated that he understood that the Council has been trying to get information on the homeless population in the area. Gates explained that he put together information on where homeless people could gather or create a camp within the City. Gates stated that he walked through those areas, and did not find any active camps.

Gates explained that there are two well established camps near the City, with the closest off of 244<sup>th</sup> at the former County Pig Farm. Gates explained that the MCSO has an outreach team that includes members of Oregon State Parks, JOIN, and other service providers. The purpose is to identify the homeless population, and provide resources to those in need. Gates explained that they used to go in and remove the camp, and cleanup the site. The campsite would often be reestablished shortly after the cleanup team left. Gates stated that another focus of the MCSO is to provide resources to homeless veterans.

Gates explained that the former dog track facility could be a potential problem spot for homeless people, but the current owners are doing a good job of actively patrolling the site. Gates stated that other potential problem areas include the land to the south of the park, and RV's along Sandy Blvd. Gates stated that he did not see any RV's in the typical problem areas.

Clark asked if the MCSO has any idea if the homeless people in the area stay in the area, or do they tend to move along to other areas. Gates stated that the homeless people in this area tend to be more permanent. Gates explained that there are those who are just passing through, but the majority stay close to the area. Gates stated that there are a lot of reasons why people end up sleeping in a tent. Those reasons rang from mental health issues, addictive behaviors, other circumstances, and some it is a lifestyle choice. Gates explained that there has been an increase in homeless people who do have jobs, but cannot keep up with the costs of housing.

Clark asked if there is a direct relationship between panhandling and homelessness. Gates stated that not all panhandlers are homeless, but panhandling seems to increase as the homeless population increases.

Smith stated that she understands that BOEC will have to cut their budget like all other Portland agencies. Peterson stated that the BOEC user board is planning on testifying at the Portland budget hearings to preserve the existing appropriation because the current staffing level will not work with budget reductions.

Harden asked if the camps in this area are less populated in the winter compared to the summer. Gates stated that is correct. Gates explained that the MCSO does their count in July, but other counts seem to occur around the winter months. Harden stated that can skew the count for the actual number of homeless people in the area. Harden stated that it would be good to get some demographic data on ages of people in the camps. Gates stated that they are collecting that kind of data now.

Clark asked if the problem is getting worse. Gates stated that there were less camps this year compared to last year, but it was a small overall decline. Gates explained that the deputies identify camps, make contact with the individuals in the camps, and remove anyone with a warrant. Gates stated that they also work to stop potentially dangerous activities such as fires.

The council thanked Gates and the MCSO for their service.

### **PRESENTATION: ELECTED OFFICIALS TRAINING**

Ron Cutter of Brown and Brown Insurance presented the training. Cutter stated that his role is to procure the insurance coverage for the City in partnership with CIS. Cutter explained that CIS has a bonus program that provides a discount on coverage for members that take certain training programs. Cutter stated that the City will receive a 2% discount for taking the training. Cutter presented the training video on elected officials.

Cutter stated that the majority of claims that cities face include employment and law enforcement claims. Harden asked if there were any repercussions for cities that have large claims. Cutter stated that cities could be removed from the pool, and that has occurred in the past. Cutter explained that he will be meeting with City staff to go over next year's coverage.

The Council thanked Cutter for the presentation.

**PRESENTATION: METRO COUNCILOR SHIRLEY CRADDICK**

Metro Councilor Shirley Craddick stated that she wants to make sure that she attends the Council meetings to help provide updates on what is going on at Metro. Craddick thanked Clark for his work as Chair of MPAC. Craddick presented handouts to the Council regarding Metro's park system plan, and new trail expansion projects.

Craddick stated that the Metro Council is focused on regional issues such as the challenge of having affordable housing. Craddick explained that rents and home prices are starting to impact the economic competitiveness of the region. The region needs affordable housing for the workforce. Craddick stated that the Metro Council and staff is looking into equitable housing, and developing tools and strategies. Craddick explained that this is not about the non-profit subsidized housing, but housing for middle-income people to find homes they can afford. Craddick stated that there is not one tool that will work, so they are looking at an array of options.

Craddick stated that East County has become the low income housing area because of the lower housing costs. Craddick explained that one tool that can be implemented is to remove the ban on inclusionary housing. That could increase the amount of low income housing options. Craddick stated that the goal is to have a good mix of housing options in the region.

Craddick stated that work is progressing on the SW Corridor project, and the committee is looking at light rail options from Portland to Tigard and Tualatin. Craddick explained that there are challenges in those areas with the topography and non-grid street system. Craddick stated that the steering committee is looking at terminating the connection at Bridge Port, and is still reviewing options for the Portland Community College campus. The campus is on a hill which makes light rail access difficult.

Craddick presented a regional snapshot handout. Craddick stated that the issue focuses on jobs in the region. Over 40% of the jobs in the region are in Multnomah County, but Multnomah County also has the lowest average income in the region. Craddick explained that is common throughout the US where middle income jobs have increased by 4%, but minimum wage jobs have increased by 18%.

Craddick stated that there was a minor update to the Regional Transportation Plan in 2010, and Metro is now working on a larger update for 2018. Craddick explained that this update will focus on transit plans, and will link with Tri-Met's plan. There will also be a high capacity transit plan, a new freight movement plan, and a new safety plan. Craddick stated that the new transit plan will be a key piece to the update.

Craddick stated Metro is working on the flexible funds for transportation projects. There will be about \$38 million for new projects, and the East Metro Connections Plan will help East County obtain some of those funds.

Craddick stated that Metro is also working on developing a solid waste roadmap. This has to do with the current solid waste contract expiring in 2019. Craddick explained that Metro is considering sending the waste to a facility near Salem which would burn the waste and convert it to energy. Craddick stated that Metro is also looking into how to get more recyclables out of the waste stream including the use of advanced sorting machines. Craddick explained that it could also look at the removal of food wastes from the other solid waste items.

Craddick stated that Metro is working on a parks and natural areas system plan. Craddick explained that Metro got into parks and natural areas about 30 years ago. Metro operates several large regional parks as well as pioneer cemeteries. Craddick stated that as the area has more dense development, it will be important to preserve open spaces to preserve livability. Craddick explained that Metro had two bond measures. One measure allowed Metro to purchase property, the other was for property maintenance.

Craddick stated that Metro breaks down parks based on management and oversight. Metro has middle to large sized parks, and natural areas along streams. Craddick explained that Metro is also interested in nature hoods, and several already exist. A nature hood is an established natural area with developed public access. Craddick stated that Metro will be coming out with a levy this November for \$.10 per \$1,000 of assessed value to continue the work that is occurring around parks and open spaces.

Craddick stated that Metro is in the beginning stages on the Master Plan for the Troutdale/Spring Water Trail system. The trail connects the historic US 30 trail with the 40 mile loop, and the Spring Water Trail. Craddick explained that Metro is also focusing on the East Butte access project which would connect the natural areas along Hogan Road.

Craddick stated that Metro has reached an agreement regarding the Convention Center Hotel, and the new development will have at least 600 rooms for conventions. Craddick explained that the project should help improve the overall hotel economy as overflow will go to the other area hotels around Portland.

Craddick stated that the new elephant lands at the zoo were completed this past December. The bond measure of \$125 million helped pay for the improvements at the zoo. Smith asked about the offsite elephant sanctuary project. Craddick stated that the bond measure did not include a remote facility, but that idea has been postponed after reviewing a few potential sites.

Craddick asked if there were any other questions about Metro projects.

Smith asked about the new levy and if it is for maintenance. Craddick stated that it is, but there is also a grant program component as well. Smith asked if the criteria for the transportation projects has been established. Craddick stated that is being worked on right now, and there is a large push for the safe routes to school program.

Harden asked if the Regional Snapshot could include information on the skills gap in manufacturing. Nissen stated that it might also be good to have comparison data in the newsletter as well. Craddick stated that those are good ideas.

The Council thanked Craddick for the presentation.

**CONSENT CALENDAR:**

- a. Review of bills paid in January, 2016
- b. Contracts \$2,500 - \$50,000
  - There were none.
- c. Committee Appointments
  - Planning Commission
    - Jim Mott: Term Expires 12/31/2020
    - Al Evans: Term Expires 12/31/2020
  - Parks Commission
    - Catherine Johnston Term Expires 12/31/2017
  - Budget Committee
    - Beverly Stone: Term Expires 12/31/2018
- d. Council Minutes:
  - January 14, 2016
  - January 26, 2016

Upon motion by Clark, seconded by Nissen and passing 5-0, the Consent Calendar was approved.

**RESOLUTION 3-2016: 2015-16 ANNUAL PERFORMANCE PLAN REVISION**

Peterson presented the resolution and stated that he had talked about key projects on the Annual Performance Plan that will not be accomplished this year. Peterson explained that the APP is a management system for how the government is managed. The system has been in place since 2009, and fits in with the Council adopted mission, vision, and goals. Peterson stated that the projects in the APP help achieve one of the City's goals, and the Council hold the City Manager responsible for completing the projects every year.

Peterson stated that the plan is developed following a workshop with the Council. Peterson explained that staff then estimates the time needed to complete the projects, and the APP is formed. Peterson

stated that the plan is adopted by the Council every year, and can only be modified by the City Council.

Peterson stated that the items that will not be completed this year include the Arata Road fencing project. Peterson explained that the County significantly delayed the reconstruction project, and the roadway rebuild will not start until this coming summer. Peterson explained that the fencing work will begin after the roadway is rebuilt sometime in early 2017.

Peterson stated that the Halsey I&I project has been delayed. Peterson explained that staff decided to bring on a different engineering firm for the project which took additional time. Then there were delays in getting the necessary right of way permits from the County. Peterson stated that the project is just now underway, and will be completed by the end of June.

Peterson stated that the Town Center and TSP planning project has been extended, which will push the deadline back to the fall of 2016. Peterson explained that there has been great work occurring on the project, and the community input has been extensive. Those efforts has pushed the project back by several months.

Peterson stated that the shared three-city economic developer project is basically over. Peterson explained that the other cities did not have any interest in participating in the program, so it is pretty much over.

Peterson stated that the final item that needs to be revised is the Halsey Street corridor project. Peterson explained that the city of Fairview received a grant for the project, but will be working with the other cities to come up with a plan. Peterson stated that there will be visioning work, as well as engineering designs for all three communities. The project is expected to go into 2017.

Peterson stated that the request is to not be held accountable for those items based on the circumstances. Peterson explained that staff is achieving great results on all the projects.

Harden asked if part of the Halsey Street project will be managing the grant. Peterson stated that there could be some, and that would be acknowledged in the next APP. Harden stated that some of the delays are because staff is doing more work for the project and adding value to the effort, and not just getting it done to meet a deadline. Peterson stated that is correct, especially with the Town Center project.

Upon motion by Nissen, seconded by Harden and passing 5-0, Resolution 3-2016 amending the 2015-16 Annual Performance Plan was approved.

## **DISCUSSION: CITY GARAGE SALE AND CLEANUP DAY EVENTS**

HR/Records Manager Greg Dirks presented the discussion. Dirks stated that he wanted to discuss the annual cleanup event first. The date for the event is scheduled for June 4<sup>th</sup>. Dirks explained that is about a month later than usual, but that is to accommodate the new garage sale event. Dirks stated that he has discussed the details with Waste Management, and has applied for the disposal vouchers from Metro. Dirks explained that he is not proposing any major revisions from the past few years, and asked if there were any questions. There were none.

Dirks stated that the next event to discuss is the new City-wide garage sale event. Dirks explained that this is a new signature event for the City, and the proposed date is May 27<sup>th</sup> – 29<sup>th</sup> which is Memorial Day weekend. Dirks stated that weekend was chosen because it is a large garage sale weekend, and a lot of stores run promotions during that time as well.

Dirks stated that the City can be involved on many levels. The City can choose to open up public spaces for people to have booths, and advertise in a lot of media outlets. Dirks explained that on the other end of the spectrum the City does not have to open up public spaces, and do just minimal advertising. There are also options in the middle of doing select banners, yard sign, newspaper, and online promotions for the event.

Dirks stated that the budget for both events is \$1,000. The cleanup day event uses about \$200, so there is still about \$800 for the garage sale event. Dirks stated that amount can purchase large banners, about 100 yard signs, and some small advertising. The Council stated that they would not like to open up public spaces for the event, but to encourage as much participation as possible. The Council stated that they would like to have the event in a lot of media outlets, but within current budget capacity. Dirks stated that he will work with area retailers as well as residents.

Upon motion by Harden, seconded by Clark and passing 5-0, the City garage sale and cleanup events were approved as discussed.

## **DISCUSSION: 2016 COMMUNITY BANNERS**

Dirks presented the discussion, and stated that he wanted to go over the current banner design and locations. The Council will need to decide if the current design will still be used, and where to expand the banner program within the City. Dirks presented the current banner design which was designed by two students at Reynolds High School. The City had been using the high school to print the banners, but they would only last one season. Dirks stated that last year the City purchased the banners and brackets from a banner manufacture, and the results have been great.

Dirks stated that there are currently 20 banners installed throughout the community, and the majority of them are along Halsey St. with a few of them on the new section of Wood Village Blvd. Dirks explained that the banner program could extend down Wood Village Blvd, or alternative areas such as

Glisan or Sandy Blvd. Dirks explained that while the banners could go down Arata Road, it might be better to wait until that roadway is rebuilt next year.

Dirks stated that the Council had discussed having seasonal banners, and asked if the Council was interested in moving in that direction instead. Dirks presented several season design examples. Dirks explained that there is \$2,500 in the budget this year for banners, and that will buy about 10 banner and bracket sets.

Upon motion by Clark, seconded by Nissen and passing 5-0, the Council directed to use the current design, and to have the banners installed along Glisan near to the Town Center.

**ADJOURN**

With no further business coming before the Council, and upon motion by Clark, seconded by Harden and passing 5-0, the Council adjourned at 8:32pm.

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Patricia Smith  
Mayor

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Date

ATTEST:

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Greg Dirks  
Recorder

**MEETING OF THE  
WOOD VILLAGE CITY COUNCIL  
February 25, 2016  
MINUTES**

**PRESENT:** Mayor Patricia Smith, Council President Tim Clark, Councilors Scott Harden, Bruce Nissen, and Jimmy Frank via phone, City Attorney Jeff Condit, City Manager Bill Peterson, Finance Director Peggy Minter. Public Works Director Scott Sloan, and interested parties.

**ABSENT:** None

**MAYOR SMITH CALLED THE MEETING TO ORDER AT 6:00 PM.**

**CITIZEN COMMENTS**

There were none.

**DISCUSSION: THREE-CITY RECREATION PROGRAM**

Peterson presented the discussion and stated that there have been conversations at the manager level with the three cities, and some discussions with the city councils. Peterson presented a flowchart of where the proposal is now, and how individuals in Fairview want the program to move forward. Peterson explained that the overall concept is to have a three-city program with a director and administrative support. Peterson stated that there would be a series of programs and classes with the emphasis of making them affordable to lower income households. Peterson explained that it would be a significant expansion of the types of programs that are currently offered at the Troutdale program.

Peterson stated that there was a meeting earlier this week with the Troutdale City Council that changed the assumptions outlined in the staff report. Peterson explained that while Troutdale is still interested in the conversation of a three-city program, they are not excited about the current proposal.

Peterson explained that the current proposal includes having a recreation program director with a funding structure through an IGA with all three cities. The initial timeline for the program was to roll out in the spring of 2017, and the program would be housed in Fairview. Peterson stated that there would be a board of directors to oversee the program, and the directors would include an officer from each city's staff and council, and one member from the school district.

Peterson stated that the financing proposal would be a split with 40% of the costs to Troutdale and Fairview, and 20% to Wood Village. Peterson explained that the package as proposed could cost around \$28,000 to \$30,000 annually for the City. While there is margin in the General Fund, it does show a decline over the next five years.

Peterson stated that representatives from Fairview are also here to present on the subject as well. Fairview Councilor Brian Cooper stated that there were hang-ups from the Tuesday meeting with the Troutdale City Council. Cooper explained that the proposed idea is just one of several ideas that could run the program.

Fairview Mayor Ted Tosterud stated that there was not a warm reception to the concept at the Troutdale City Council meeting. Tosterud stated that Troutdale already has a recreation program, and wants to stick with their current plan. Tosterud explained that this program would target disadvantaged kids from the kindergarten to middle school age. Tosterud stated that Wood Village and Fairview could still explore a joint program, but it would probably have to be scaled back a bit.

Tosterud stated that this concept has not yet been presented to the full Fairview Council, but it is scheduled for next week. Tosterud stated that he hopes this council will be supportive of the concept, and something can be worked out between the two cities. Tosterud explained that this is about starting the conversation, and not a commitment to a specific program at this time.

Smith stated that it is something to look into, and is interested in what kind of concepts could be developed. Clark stated that he was more excited about the program until he heard that Troutdale was not interested. Clark explained that he can understand where Troutdale is coming from, but the bottom line is to work past that for the benefit of the kids.

Cooper stated that there are a lot of programs around the area for kids, but there is no central organizing entity. Some of the costs are also prohibitive for a lot of families. Clark asked if Troutdale may be willing to expand their program if they could still retain overall control. Cooper understood from the meeting on Tuesday that Troutdale does not want to alter their program.

Clark asked what the current outreach is for Wood Village residents regarding the Troutdale recreation program. Peterson stated that every resident is mailed the full recreation program, plus there is information about the City's price matching in the newsletter. Clark stated that he was disappointed that only five people have taken advantage of the price matching program.

Harden stated that there is a general desire to offer these programs, but there has to be enough people signed up to support the programs. Harden explained that just because there are not city

based programs does not mean that kids are not active. Harden stated that getting involved in current leagues and organizations could also be a way to encourage kids to be active.

Copper stated that this program was envisioned to fill the gaps in current programs for younger kids and time periods. Harden stated that he is also concerned about the lack of facilities in the area, and how that could work. Tosterud stated that Fairview is considering developing some bare ground into a sports field, and the program may have to pay for professionals instead of volunteers to run the programs.

Harden asked if the program would be similar to Troutdale's, or if it would be an expansion. Harden stated that an expansion of the offerings may bring Troutdale into the program. Cooper stated that the program would be very similar, but more cost effective for residents.

Nissen stated that he likes the idea of doing some of the same activities especially with the more popular programs, but other options should be added as well. Cooper stated that he is optimistic that the cities can create something that is meaningful to the community, and that involves all three cities.

Peterson stated that the Council can direct the City Manager to continue to work on the program, assign a Council liaison to work on the program, or elect not to move forward. Peterson stated that the Donald Robertson Park used to be a premier sports facility in the area, and bringing it back to that kind of status is in the new Parks Master Plan.

Frank stated that he supports recreational programs, but there could be complications with the program being fair to all of the cities. Frank stated that he is concerned that the program could cost a lot of money, and not be attended by Wood Village residents. Frank stated that he does not have a problem further exploring the options though.

Harden stated that he would volunteer to be on a board of director's or Council liaison. Harden stated that he agrees with Councilor Frank that there may not be a lot of interest from Wood Village residents. There are very low costs for the City with the current structure, and having a new program may not entice additional people. Harden explained that he is still in favor of reviewing options for the program.

Upon motion by Harden, seconded by Clark and passing 5-0, the Council directed the City Manager to continue to work on a shared recreation program.

#### **RESOLUTION 4-2016: REQUEST FOR REZONING OF PROPERTY**

Peterson presented the resolution and stated that this is a request to rezone the City Hall property. Peterson stated that the map included in the staff report made it look like the request was for

more than just the City Hall property, but it is not. Peterson explained that there are several tax lots on the City Hall property, and the rezone request is for three of those lots.

Peterson explained that there are a total of five tax lots on the City Hall property, and they have never been consolidated. Peterson stated that he spoke with the previous administrator about the history of the site, and why it was zoned the way it is. Peterson explained that prior to the freeway expansion there was a lumber yard and gas station on the northern parcels. That area was condemned by ODOT for the freeway project, and all public access to those areas was lost. The City was able to purchase the sites for \$133,000.

Peterson stated that this proposal is to rezone the entire site to Neighborhood Commercial. The Neighborhood Commercial Zone is flexible, and provides for smaller scale commercial and medium to high density residential. Peterson stated that the current zoning of Light Manufacturing is characterized as an industrial use. The Neighborhood Commercial Zone would return a significantly higher level of investment and return for the City. Peterson stated that the site would have to be zoned Neighborhood Commercial to get at the development concepts that were discussed as part of the heart of the City conversation.

Peterson stated that action tonight would not change the zone. This action is like any other property owner, and requesting a zone change application to the Planning Commission. Peterson explained that there would be reviews by other agencies, the Planning Commission, and finally back to the City Council. Smith asked how long that process will take. Peterson stated that it would be about four months. Smith asked if that could affect the sale of the site. Peterson explained that there would be a due diligence period, and the zone change could also be included as a condition of the sale.

Peterson stated that additional requirements include a traffic analysis comparing the current zoning use to the proposed use. The Council asked if this would be considered a conflict of interest. Condit stated that it is not. Condit explained that the Council is acting as a property owner in the public's interest. While that could benefit the City, it does not personally benefit any one member on the Council.

Frank asked about the motivation of going through with this process. Frank asked if it is about the land value or something else. Peterson stated that this action should have occurred once the properties were condemned as there was no other access except for the City Hall access. Peterson explained that is when the facts changed to the underlying zone. There was no intent on selling the site in the near future, so the change did not occur. Peterson stated that the Council has since indicated they are interested in selling the land to get at a higher level of development for the City. Peterson stated that all three items play into the role of the zone change request.

Harden asked why a resolution is needed. Peterson stated that a land use rezone request has to be done either by a motion or a resolution. It is easy to track resolutions over time. Harden asked about the difference in value between the zones, and if the City will recoup the costs.

Peterson stated that he does not know what the land will sell for, but a consolidated single zoned parcel is easier to develop. Peterson stated that he feels the site will have greater long term value with the zone change.

Upon motion by Harden, seconded by Nissen and passing 5-0, Resolution 4-2016 authorizing a rezone request for the properties at 2055 NE 238<sup>th</sup> was approved.

#### **RESOLUTION 5-2016: MT. HOOD COMMUNITY COLLEGE BOND ENDORSEMENT**

Peterson presented the resolution, and stated that it is a consideration to endorse the Mt. Hood Community College bond measure that will be in front of voters in May. Peterson explained that the materials in the packet were provided by the college.

Clark stated that he is in favor as he supports education, but it is a lot of money. Smith agreed. Harden stated that he likes that this is focused on specific job education training. Clark stated that he wanted to make sure that this would have the full Council support, as it could look bad if there is a split vote.

Frank stated that he feels like he needs more information on the subject prior to making a vote. Harden stated that Frank was not here when the college presented to the City Council. Frank stated that he can understand the big picture, but would like more information prior to voting.

Clark stated that a Council endorsement is basically asking the residents of Wood Village to vote in favor of the measure. Clark stated that he feels that this will benefit the area in the long run. Harden stated that individual Councilors could also take a position. Frank stated that if the rest of the Council is in favor, he could abstain from the vote.

Upon motion by Nissen, seconded by Clark and passing 4-0-1 with Smith, Clark, Harden, and Nissen yea, and Frank abstaining, Resolution 5-2016 endorsing the Mt. Hood Community College Bond Measure was approved.

#### **PUBLIC WORKS DIRECTOR'S REPORT**

Sloan presented the report and stated that highlights include the work being done on the Halsey Street sewer line project. Sloan explained that the project has had some issues with the county, but those should all be resolved early next week.

Sloan stated that we are still waiting to hear back on the interceptor trail grant application, and that could come as early as next week. Sloan stated that the Parks Commission met to discuss the design plans for the 238<sup>th</sup> Island rehabilitation project. The Parks Commission likes the plan, and only made minor revisions to the color of flowers. Sloan stated that project will begin as soon as the county issues the right of way permits.

Sloan stated that work on replacing the water valve cans on 238<sup>th</sup> is progressing. The county made saw cuts earlier in the week, which is the first step in the project. Sloan stated that he has not heard back from either HOA's regarding the water pressure project at Treehill and Cotton Wood, so staff will be following up soon.

Sloan stated that he has come up with an idea to plant more trees in the City, and this project would occur at Morgan Estates. Sloan explained that this subdivision was completed without requiring street trees. Sloan stated that he would like to purchase and plant the trees, and then have the adjacent homeowners care for them. Sloan explained that the trees were selected to fit into the planting strip and not cause damage to the adjacent sidewalk or street. The cost would be under \$1,000. Peterson stated that there is about \$9,000 remaining in an escrow fund to help complete projects in that subdivision, and this project would qualify to use those funds.

### **FINANCE DIRECTOR'S REPORT**

Minter presented the report and stated that we are seven months into the fiscal year. Minter explained that all revenues are up except for liquor and cigarettes. All expenditures are on track. Minter stated that investments are at about \$5.4 million, and interest at LGIP will increase from .67% to .71%. Minter stated that the budget process is underway, and the first meeting will be in April.

Harden asked if the recreation program will be included in the budget proposal. Peterson stated that it would be included as a supplemental discretionary item for about \$28,000.

### **CITY ADMINISTRATOR'S REPORT**

Peterson stated that the City Council calendar is in the packet, and there was a full APP update at the last meeting.

### **CITY COUNCIL REPORTS**

Clark stated that he is compressing meetings at MPAC, which has resulted in no recent meetings. Clark stated that there will be a meeting on March 23<sup>rd</sup> to discuss street sharing options.

Smith stated that EMEA is still working on rebranding themselves to attract more members. Smith explained that EMEA did endorse the MHCC bond measure. Smith stated that the Parks Commission recommended that there be an ongoing maintenance contract for the 238<sup>th</sup> Islands, and that the City offer free advertising in the newsletter to reduce costs.

### **WORKSHOP: 2016-17 ANNUAL PERFORMANCE PLAN**

This item was postponed until the next City Council meeting.

**EXECUTIVE SESSION PER ORS 192.660(2) (e) To conduct deliberations with persons designated by the governing body to negotiate real property transactions**

The Council entered into Executive Session at 7:40pm.

The Council convened back into Regular Session at 8:22pm.

**ADJOURN**

With no further business coming before the Council, and upon motion by Harden, seconded by Nissen and passing 5-0, the Council adjourned at 8:23pm.

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Patricia Smith  
Mayor

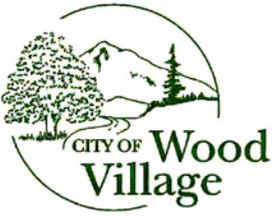
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Date

ATTEST:

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Greg Dirks  
Recorder



Update on Town Center Master Plan and TSP Update  
**City Council Agenda Item Staff Report**

**Meeting Date: March 8, 2016**

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**TO:** Mayor and Councilors  
**FROM:** Bill Peterson: City Manager  
**DATE:** March 1, 2016  
**SUBJECT: Town Center Master Plan Update; Transportation System Plan Update**

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**Requested Council Action**

No specific action requested. The Planning Commission is invited to participate in this update along with the Council, and both groups are requested to provide any comments or concerns prior to the preparation of the alternate master plan scenarios.

**Background**

The most extensive community outreach and public feedback process ever undertaken in Wood Village is providing feedback to our consulting team on the Town Center, and ultimately will provide a great deal of information on community preferences to the Planning Commission and the City Council as decisions have to be made about potential alternatives and the vision and implementing law in the Town Center. The overall work completed to date on the Town Center Engagement include:

1. Technical Memorandum #1 that provides evaluation of the policy and legal framework for the Town Center, ranging from evaluation of the Statewide Goals applicable, to the Regional Planning Guidelines from Metro, and a variety of other Agency guidelines that will potentially impact the outcomes.
2. Technical Memorandum #2 focuses on the existing and future transportation conditions throughout the entire community, with a focus on the Town Center area. Future conditions evaluation did provide several areas of potential concern that will need to be addressed in an updated Transportation System plan, including the on and off ramps and congestion where 238 accesses I-84, and intersection performance at Glisan and both 242 and 223.
3. Stakeholder Interviews were completed with a total of 18 separate meetings involving a total of 38 individuals ranging from developers and land owners to immediate neighbors. Findings generally identified the current mix of uses at the Center as lacking in vibrancy and a sense of "place". A combination of retail and restaurant uses along with entertainment uses were identified as needed components to the area, with housing identified as the most viable economic sector, particularly multifamily housing. Stakeholders expressed a great deal of interest in seeing the Town Center developed. Stakeholders generally consider

the site a significant asset and would like to see it developed in a way that supports the community both as a gathering place and from an economic development perspective. There is broad support for walkable, mixed-use community development. At this point, however, there is disagreement among stakeholders with respect to residential development that will need to be addressed during the master planning process. Some local residents fear that multifamily housing development will bring in additional low income residents to the area which is already struggling with some poorly managed low income housing complexes. A few local residents indicated that existing low income complexes are responsible for increased crime and gang activity. The development community, on the other hand, considers multifamily to be one of the most viable uses for the site. Further, developers indicate that higher density residential is needed to strengthen the market for additional retail.

It will be necessary to address perceptions that some residents have about multifamily housing being associated with low income housing and/or perceptions about low income housing before agreement on multifamily housing can be achieved. It might be possible to distinguish the type of housing from low income housing by clearly articulating the housing type and the market value. Homeownership options might be one way to achieve support for residential uses. However, some stakeholder comments suggest that rents might be lower in this area and that low income housing is a key market. If that is the case, it will be necessary to address concerns among some community members regarding the current low income complexes in order to obtain support for additional residential developments. One stakeholder suggested that the City pursue enforcement of landlords in terms of any infractions that arise in relation to their management of current low income complexes. This stakeholder also indicated that Housing Authority management of low income housing might mitigate some of the concerns that were expressed by a few local residents. Engagement of the police to work with residents to address concerns about crime, crime prevention and education about the actual crime rate, which is, generally, relatively low<sup>1</sup>, might be a part of a solution.

There is general agreement that development at the Town Center should be family friendly, aesthetically designed, create a sense of civic pride and serve as a community gathering space. Public amenities such as pedestrian walkways, public open space and other civic infrastructure clearly have broad support among stakeholders. Additionally, retail and family entertainment uses also appear to have significant support with the local community. While, in general, developers expressed reservations about the local market for retail, uses that have a larger draw, such as athletic clubs, restaurants, sports complexes, theaters and family fun centers should be explored during the market study. Further, professional office, schools and medical clinics appear to have interest from stakeholders in both the local and the development communities and should be further explored from a market feasibility and community perspective. In addition, ethnic retail or food uses are of interest to the community and should be analyzed for their

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<sup>1</sup> <http://www.clrsearch.com/Wood-Village-Demographics/OR/Crime-Rate>

viability from a market perspective. One stakeholder's suggestion was for Wood Village to establish an identity around its diverse communities as a way to bring the various groups together.

4. Town Center Market Analysis has been completed evaluating the economic capacity of the town center and the most viable range of land uses for which there would be economic support. The major findings from the Leland Consulting Group indicate a range of residential building types as well as support for a range of commercial and mixed uses are identified by the current and forecasted market conditions. The Report indicates that assembly, manufacturing and similar uses will most probably migrate to other adjacent sites, and that there is a very soft market for office uses, with the possible exception of some medical office uses. Regional market conditions and development momentum currently favor rental housing due to the changing consumer preferences of the Boomer and Millennial generations, low median household incomes, low vacancy rates for apartments, high home prices, high debt to income ratios, and slow wage growth. However, almost all residential building types can either be built as either ownership or rental housing.

Most land use plans do not make a distinction between the two and allow the market to determine whether projects are to be sold or rented. Retail uses in the Town Center, both on larger vacant parcels as well as remaining pad sites in the shopping center, are likely to be local-serving. These could include smaller shops and services that appeal to nearby residents such as dry cleaners, salons, florists, family restaurants, bakeries, and other food establishments. Likewise, most of these retail services would also be seen as an amenity for nearby employees, in particular the Vista Business Park.

Work by EcoNorthwest for the Grand Ronde Tribe was also acknowledged by Leland, with the understanding that a destination recreational use such as identified by EcoNorthwest, may in fact be viable, but absent a specific proposal, the economic viability of any particular use could not be verified in this report. It was also noted that while a motel would not appear to be viable based on the general conditions under which motel properties prosper, a motel in association with a regional recreational draw could in fact be successful.

5. A total of five (5) separate focus groups were conducted with specific representation from Ukrainian, Russian, Latino, Vietnamese, and Laotian communities. In total, over one hundred (100) separate individuals participated in these focus group opportunities. In each gathering, a wide diversity of conversations were held, and a number of suggested uses were identified. A summary of results from these groups focused on the need to make the existing area safer, create a real center with a sense of place, provide viable walking and bicycling access and amenities in the center, public plaza, food cart pod, and family entertainment uses. Housing suggestions focused on relatively low density alternatives (single family, townhouse, condominium) along with a variety of multifamily uses, especially if such uses were focused on senior housing or senior services.
6. A community meeting was conducted in February with just over seventy (70) individuals participating in the evening activities. Participants identified proposed uses, and utilized footprint materials to attempt to fit a variety of uses into the

available land areas. While a wide diversity of opinions were expressed as has occurred throughout this information gathering period, there were several ideas mentioned frequently, including recreational or family uses, civic center or plaza, safe walkable access methods, lighting and safety for the site, and a mix of housing types anchored by what appears to be a preference for mixed use structures or live/work structures.

### **The Housing Allocation Mandate**

In the Metro regional forecast and the regional 2040 plan, Cities are allocated a number of housing units needed and projected employment opportunities based on employment lands and commercial centers. Wood Village has been allocated a total of 400 housing units through a number of years, with the concentration of these units in the Town Center development. To date, 85 units have been constructed in the Riverwood Subdivision, leaving a total of 315 units identified in the regional plan.

As individuals and groups continued to discuss the housing issues in the Town Center, it became very apparent that accommodating this many housing units may become a major driver in how the land is planned. Detailed conversations with Metro have established that the allocation is treated as a recommendation, not a mandate. If we choose to accommodate fewer units, there would not be enforcement action initiated to assure housing is provided. Metro representatives did, however, stress that the successful town centers throughout the region combine housing and a variety of commercial and employment uses to create a vibrant and successful community, urging us to accommodate as much housing as feasible.

### **Next Steps**

The consulting team on the project, led by Parson's Brinkerhoff, are now responsible to prepare not more than three alternate proposals for a site master plan. The team is sorting all of the input received, trying to assure they have a sense of the expressed vision and the variety of potential land uses. Once developed, the alternatives will be shared with current land owners (Gerrity Group, Lowes, Fred Meyer, Buffalo Wildwings MBH Development LLC, Goodyear, Grand Ronde Tribes, Wood Village EPL LLC, WVO Investments LLC, Unitus Community Credit Union) as well as taken back to a community meeting to get further refinement and comment.

When completed, the layout for the master plan will be compared to the current land use law for the Town Center, and recommendations developed for the modification to the language of the code. A transportation evaluation will be completed to assure all identified land uses and the combined traffic impacts of proposed uses are within the capacity of the roadway system, and traffic work needed to complete the remaining portions of the Transportation System Plan will be completed.

Final hearings on recommendations and proposals will be conducted in the late fall and early winter of 2016.

### **Alternatives**

While no decisions or specific directions are sought from the Council and Planning Commission at this time, a series of actions could be taken by the Council, including:

1. Directing that certain land uses or types of uses be included in one or more of the identified alternatives, or
2. Directing that certain land uses or types of uses NOT be included in the ultimate plan, or
3. Seek additional information or presentations from the consulting team on the status of identified issues and potential recommendations, or
4. Accept this report and prepare to participate in the future meetings discussing site master plan alternatives.

### **Fiscal Impact**

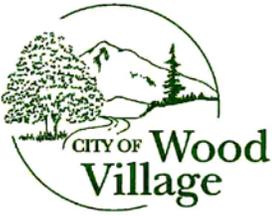
This update will not create any additional fiscal impact. The overall project remains at \$148,840 with the Wood Village matching requirement at \$31,825. Of the \$31,825, all but \$6,000 is planned to be matching funding from City incurred payroll and incidental costs associated with the project. The only unusual cost incurred to date has been \$1,100 to Leland Consulting Group to participate in a meeting with the Grand Ronde representatives to more completely explain the economic report on the project. If we determine that the provided alternatives are not sufficient, or wish to have more options, we would incur the costs associated with the architectural services needed.

### **City Goal**

This action furthers City Council Goal 4: Long-term financial stability, economic vitality and growth, as well as Goal 1: A safe, clean, livable community with a sense of pride, quality housing, and strong identity.

### **Suggested Motions**

*No Council action is necessary, however, if individuals have strong feelings about what should, or should not, be included in the alternatives it is important to make those known so potential additional costs can be averted.*



Potential Revisions to the Enterprise Zone Program  
**City Council Agenda Item Staff Report**

**Meeting Date: March 8, 2016**

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**TO:** Mayor and Councilors  
**FROM:** Bill Peterson: City Manager  
**DATE:** February 29, 2016  
**SUBJECT: Enterprise Zone Program; Potential Revisions**

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**Requested Council Action**

Take action to approve or deny Resolution Number 6-2016 revising the Enterprise Zone Program in Wood Village selectively for small employers.

**Background**

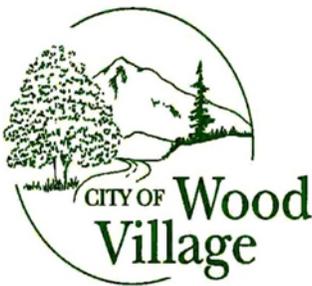
The Columbia Cascade Enterprise Zone was developed following the economic evaluations of the Columbia – Cascade River District in 2006/2007. Individual Enterprise Zones were created in Troutdale, Fairview and Wood Village. For each zone, local standards are applied along with the statutory provisions for the zone. The Enterprise Zone program provides a 3 year property tax abatement to qualifying industries, with the potential for a 5 year benefit if the applicant can meet certain qualifying criteria.

The stated intent in the Columbia – Cascade zone application to the state is to induce capital investment and family wage jobs into the sponsoring jurisdictions. The Wood Village City Council developed a program in 2008. Our initial local criteria were as follows:

- Minimum investment: \$1 million.
- Employment levels: Increase its permanent full time employment by 10% or hire a minimum of 10 new employees whichever is greater and maintain through the three year exemption period.
- Procurement: require a plan for purchasing materials and supplies from businesses located within East Multnomah County. Require annual report of local purchases showing maintenance of or increase over first year levels.
- Hotel Eligibility: the tax exemption will be extended to hotels.

- Job Quality: At least 75% of all hourly wages must be at least 200% of the Oregon minimum wage. Benefits are provided at an hourly value equal or greater than 20.7% of the average salary for all years of exemption and sufficient training and advancement opportunities must be made available to all employees.

In 2011, the City Council responded to requests from Pressure Safe, LLC and amended the criteria for the zone to include the following:



## City of Wood Village Enterprise Zone

- **Benefit and Local Criteria** The Columbia Cascade Enterprise Zone was established to encourage private investment on industrial and manufacturing lands. The incentive for investment is a property tax abatement up to five years that is regulated under Oregon Revised Statutes Chapter 285C. The local criteria requirements are listed below. The benefits of the Columbia Cascade Enterprise Zone will expire on June 30, 2018.
- **Property Tax Abatement:** Up to five years of property tax abatement for a qualified business investment.
- **Minimum Investment Required:**

New Development:	\$1 million for the three (3) year program
	\$2 million for the five (5) year program
<b>Or</b>	
Tenant Improvements/Machinery	\$250,000 for the three (3) year program
	\$500,000 for the five (5) year program
- **Job Loss Distance Requirement:**  
No concurrent job losses outside of 30 miles beyond the enterprise zone.
- **First-Source Hiring Agreement:**  
Must enter into an agreement with local job training providers.
- **Employment Levels:**  
Increase the company's permanent full-time employment by 10% or hire a minimum of 1 new employee, whichever is greater, and maintain these jobs through the abatement period.

- **Job Quality:**

The average of all hourly full-time wages must be at least 150% of the Oregon minimum wage. Benefits to full-time employees that meet the national average of non-mandated benefits for the size of the company shall be provided. Sufficient training and advancement opportunities must be made available to all employees.

- **Procurement Plan:**

Provide a plan for purchasing materials and supplies from businesses located in East Multnomah County. An annual report is required for purchases showing maintenance of or an increase over first year levels or providing an explanation why such procurement could not be achieved.

- **Application Fee:** 0.1% of the new investment value.

- **Community Service Fee:** The five (5) year abatement option requires a community service fee of 25% of the abatement on new taxes to be paid to the City in each of years 4 and 5.

The highlighted sections of the two criteria is provided to draw attention to the significant reduction in the compensation and fringe benefit requirements that were adopted as a part of the 2011 revisions to the local criteria.

Throughout the debate on the original adoption of the program, and the subsequent revision to accommodate Pressure Safe, LLC, the City Council discussed the importance of creating family wage jobs where the employee can receive fringe benefits and have a quality life style. In our initial work, that was established at 200% of the minimum wage, plus a 20.7% fringe benefit allocation. In the subsequent revision, that was reduced to 150% of minimum, and benefits to “meet the national average of non-mandated benefits for the size of the company”. This permitted the recipient of the zone exemption status to reflect the fringe benefit package competitive in the food processing industry, a standard significantly lower than other industries.

We now have a firm that has fewer than 10 employees, that is considering acquiring a piece of equipment with a value in excess of \$250,000. The industry qualifies for enterprise zone status, the investment level is sufficient, however, the employer does not compensate at 150% of the Oregon Minimum wage, and offers no non-mandatory fringe benefits. Resultantly, they cannot qualify for the Enterprise Zone benefit.

### **The Basis for the Request**

Very small manufacturing employers are frequently the first employer for individuals entering into a manufacturing field. Paying relatively low wages, not unionized, and offering few or no benefits, such employers see relatively high turnover of employees as new employees reach the journeyman level in operating equipment or assembling materials, they move on to larger employers with better paying jobs and greater fringe benefit offerings. Such small

employers also frequently utilize apprenticeship, internship and similar programs to reduce their labor costs, while providing some level of experience and training to employees, interns, and students.

The key question in potentially modifying requirements for the zone deals with the intent of the Enterprise Zone. The Positive points for an enterprise zone are as follows:

1. Induce investment in the zone that will turn into long term increases in assessed values that will benefit all taxing jurisdictions.
2. Assist in the creation of family wage jobs.
3. Target investments in desired locations specifically included in the zone.
4. Create overall economic activity, including short term employment in construction, relocation and equipment placement.

The key question to the City Council is whether or not the benefits other than employment are sufficient to modify the zone to permit small employers, or indeed, any employers, to receive the benefit without producing family wage jobs. As members of the Council have noted, the value of equipment depreciates from the date of acquisition, and depending on the useful life, can be significantly lower in value when property taxes on the personal property are levied three years following the initial investment. Depreciation methods accepted for personal property follow the federal guidelines, so reductions of 50% of the property initial value (or slightly more) is probable by the time equipment is reported as personal property in the assessed values of the taxing entities.

To modify the requirement for wages, the City could add a requirement in the three year program for small employers to provide employees with certification or direct training opportunities, or could consider offering the benefit if the employer could agree at the close of the benefit period that all employees would be receiving either the compensation, the benefits, or both.

### **Specific Proposal**

The proposal in this Resolution would permit a program modification for employers with 15 or fewer employees and total annual gross sales of \$3,000,000 or less, and already operating a business in the Wood Village Enterprise Zone. As proposed the modification would be as follows:

### **Small Local Employer Enterprise Zone Benefit Criteria**

For employers with businesses already located in the Enterprise Zone, total employment of 15 or fewer employees, and gross annual sales of \$3,000,000 or less, enterprise zone benefits shall be permitted to any such business that meets the State definitions for qualification for enterprise zone benefits, invests a minimum of \$250,000 or more in equipment, tenant improvement or both, or creates new development with a minimum investment of \$1,000,000. Such firms qualify only for a three (3) year exemption and must meet all other zone criteria, however, the quality of employment for such firms shall be:

- **Job Quality for Small Firms:**

The average of all hourly full-time wages must meet all statutory minimum wage benefits, and shall, at a minimum provide direct training opportunities to employees that will result in an industry recognized certification for competence for any employee completing the program. Beneficiaries must show that compensation, benefits, or both have improved to all non-management employees by the close of the three year benefit program.

### **What Happens of a Company Fails to Meet Terms of the Zone?**

The statute provides the remedy for failure to meet employment or local requirements. The recipient is required to repay all enterprise zone benefits, following a notification and time to remedy. (ORS285C.240)

### **Staff Recommendation**

There is not a consensus among the Management staff on this recommendation. We have members of the staff that believe that the exemption of a firm from property tax liability should be very limited, and that quality employment opportunities for regional workers must be a primary consideration for such benefits. The cost of the enterprise zone is substantial to all the taxing jurisdictions, and the benefits are limited, especially if the qualifying investment is in the form of equipment that can be rapidly depreciated, yielding lower net taxing capacity from any investment made. While limitations to target qualification to firms that provide an extraordinary effort to provide education and experience to employees is an ameliorating factor, the need for family wage jobs with quality benefits is viewed by portions of the Management Team as the key reason for the use of an enterprise zone.

### **Alternatives**

The City Council may choose any number of directions, but the following three are identified as the range of options:

1. Deny the Resolution, continuing with the current incentive language that requires 150% of minimum wage and fringe benefits commensurate with the industry, or
2. Establish a Council committee to meet with staff and potential beneficiaries to develop terms of a modification that might be acceptable, or
3. Adopt the Resolution.

### **Fiscal Impact**

There are a limited number of small firms that might qualify under the small employer program proposed. Given a small number of potential users, and the overlapping tax rate of \$16.2752 and a municipal tax rate of \$3.1416, the real cost in tax loss for a \$500,000 investment valued at full face value is \$20,018 to all taxing jurisdictions in three years, and \$3,864 to the City of Wood Village. (Assumes Maximum Federally Allowed Depreciation for Equipment)

### **City Goal**

This policy proposal is designed to impact City Council GOAL 4: Long-term financial stability, economic vitality and growth.

It is the intent to have the action provide a positive impact on the achievement of the goal.

**Suggested Motions**

*I move to adopt resolution Number 06-2016 providing for modified enterprise zone qualification standards for small local industries.*

**RESOLUTION NUMBER 06-2016**

**A RESOLUTION ESTABLISHING A NEW SMALL EMPLOYER CATEGORY FOR BENEFITS IN THE WOOD VILLAGE ENTERPRISE ZONE**

**WHEREAS:**

1. The State of Oregon has adopted ORS285C.045 to 285C.250 specifying the requirements for a property tax exemption through the Enterprise Zone Program, and
2. The City of Wood Village, in conjunction with Fairview and Troutdale, applied for and received designation as the Columbia Cascade Enterprise Zone, with Wood Village separately recognized for an Enterprise Zone designation, and
3. The City Council of the City of Wood Village has reviewed the criteria for receiving a property tax exemption for certain investments and character of improvements or employment actions, and
4. The Council has determined it is in the best interest for the Citizens of Wood Village, and those of other regional taxing entities, to allow a property tax exemption under the Enterprise zone to certain small businesses for qualifying investments.

**NOW, THEREFORE, BE IT RESOLVED** by the common council of the City of Wood Village that Attachment "A" identifying the specific terms and conditions for participation in the Enterprise Zone program in Wood Village.

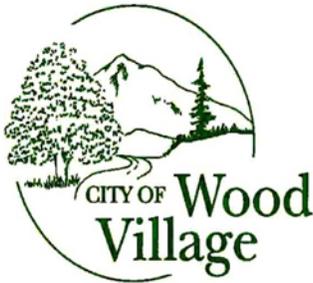
Motion to approve by \_\_\_\_\_; seconded by \_\_\_\_\_ and adopted this 8th day of March 2016.

YEAS \_\_\_\_\_ NAYS \_\_\_\_\_

\_\_\_\_\_  
PATRICIA SMITH, MAYOR

ATTEST:

\_\_\_\_\_  
Greg Dirks, City Recorder



# City of Wood Village Enterprise Zone

- **Benefit and Local Criteria:** The Columbia Cascade Enterprise Zone was established to encourage private investment on industrial and manufacturing lands. The incentive for investment is a property tax abatement up to five years that is regulated under Oregon Revised Statutes Chapter 285C. The local criteria requirements are listed below. The benefits of the Columbia Cascade Enterprise Zone will expire on June 30, 2018.
- **Property Tax Abatement:** Up to five years of property tax abatement for a qualified business investment.
- **Minimum Investment Required:**
  - New Development: \$1 million for the three (3) year program  
\$2 million for the five (5) year program
  - Or**
  - Tenant Improvements/Machinery \$250,000 for the three (3) year program  
\$500,000 for the five (5) year program
- **Job Loss Distance Requirement:**  
No concurrent job losses outside of 30 miles beyond the enterprise zone.
- **First-Source Hiring Agreement:**  
Must enter into an agreement with local job training providers.
- **Employment Levels:**  
Increase the company's permanent full-time employment by 10% or hire a minimum of 1 new employee, whichever is greater, and maintain these jobs through the abatement period.
- **Job Quality:**  
The average of all hourly full-time wages must be at least 150% of the Oregon minimum wage. Benefits to full-time employees that meet the national average of non-mandated benefits for the size of the company shall be provided. Sufficient training and advancement opportunities must be made available to all employees.
- **Procurement Plan:**  
Provide a plan for purchasing materials and supplies from businesses located in East Multnomah County. An annual report is required for purchases showing maintenance

of or an increase over first year levels or providing an explanation why such procurement could not be achieved.

- **Application Fee:** 0.1% of the new investment value.
- **Community Service Fee:** The five (5) year abatement option requires a community service fee of 25% of the abatement on new taxes to be paid to the City in each of years 4 and 5.
- **Criteria for Small Local Employers:** For employers with businesses already located in the Enterprise Zone, total employment of 15 or fewer employees, and gross annual sales of \$3,000,000 or less, enterprise zone benefits shall be permitted to any such business that meets the State definitions for qualification for enterprise zone benefits, invests a minimum of \$250,000 or more in equipment, tenant improvement or both, or creates new development with a minimum investment of \$1,000,000. Such firms qualify only for a three (3) year exemption and must meet all other zone criteria, however, the job quality for such firms shall be:
  - **Job Quality for Small Firms:**  
The average of all hourly full-time wages must meet all statutory minimum wage benefits, and shall, at a minimum provide direct training opportunities to employees that will result in an industry recognized certification for competence for any employee completing the program. Beneficiaries must show that compensation, benefits, or both have improved to all non-management employees by the close of the three year benefit program.

