

**MEETING OF THE
WOOD VILLAGE CITY COUNCIL
May 28, 2015
MINUTES**

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

ABSENT: None.

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

CITIZEN COMMENTS

There were none.

CONSENT CALENDAR

- Liquor License: Additional Privilege

The Bronx Eatery – Raj Patel

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

PRESENTATION: GREATER PORTLAND INC. - ALISA PYSZKA

Alisa Pyszka of Greater Portland Inc. gave the presentation. Pyszka stated that Greater Portland Inc. is a regional non-profit organization that spans seven counties and two states. Greater Portland Inc. was formed in 2011 as a merger of public and private interests. Pyszka explained that Greater Portland Inc. focuses on marketing the region for business recruitment, and helping current businesses stay and expand in the region. It is important for businesses that are here to stay here and remain healthy.

Pyszka stated that Greater Portland Inc. works with site selectors that represent large companies looking to either expand or relocate. Pyszka explained that site selectors look at a region as a whole. The goal is to get the site selectors to the region, and then go to specific areas that could meet their needs. Pyszka stated that Greater Portland Inc. is finalizing a five-year plan for 2020, and this is the first time that as a region there is a view on how to move the entire region forward. Pyszka explained that this five-year plan moves beyond individual city plans, and will be launched later on this summer.

Pyszka stated that Greater Portland Inc. has developed a small city consortium which allows for smaller cities to have a voice on the board. The small city consortium is headed by Tigard Mayor Lou Ogden. Pyszka explained that the small city consortium has been a great way for smaller cities to have a voice in the larger board.

Pyszka stated that the Portland area is doing very well in terms of exports, but smaller businesses are not utilizing that value and resource. Greater Portland Inc. has been working with smaller businesses to help them build up their business and exports. Pyszka stated that Greater Portland Inc. is also working on a large site strategy to out together large parcels of land for smart future development. Pyszka explained that the focus in this region is on specialty machinery and advanced electronics. There are other options, but those two are the main focus.

Pyszka stated that Greater Portland Inc. offers business development strategies, and they focus on specific

industries. Those industries include clean technology, traditional and advanced manufacturing, athletic and outdoor gear and apparel, and computer electronics and software. Pyszka stated that there is a new industry category of health and science. Pyszka explained that Greater Portland Inc. can help these industries grow and stay in the region. Pyszka stated that once an industry is in the region, then each community can have a share of that industry because each place has something unique to offer. Greater Portland Inc. is working on updating that information for the all the partner communities.

Pyszka stated that is a general overview of Greater Portland Inc. and what has been going on. Smith asked if each city would be individually marketed. Pyszka explained that Greater Portland Inc. markets the entire region, but each community will have a section on the webpage about their community and assets. Smith asked what the main issues are with getting business to locate in East County. Pyszka stated that the focus is finding out what industries are wanted in East Count. Pyszka explained that the Troutdale TRIP and Gresham Vista properties which are owned by the Port of Portland are looking to have specialty equipment and high tech locate on those properties. The focus then becomes on having the skilled workforce in the area.

Clark asked about the Greater Portland Inc. app. Pyszka stated that the app takes all the data that has been discussed, and basically puts it into one document. Pyszka explained that format has not worked out well, and the next step is to develop a mobile version of the webpage. Peterson asked who representatives at Greater Portland Inc. speak to when there is an interest in East County. Pyszka stated that they do an email blast to all their contacts if there is an interest in East County. Pyszka explained that Greater Portland Inc. has also been working with communities to have them send over site specific information to include on the regional portfolio.

Harden asked about the retention of businesses, and why they would want to leave the region. Pyszka explained that there is a lot of tension in business moves. The business has made an investment in the area, and employees may not want to relocate. Pyszka stated that we need to make sure that we let these businesses know that they are appreciated, especially the manufacturing businesses. Harden asked which businesses have stayed in the area because of Greater Portland Inc.'s efforts. Pyszka stated that Banfield Pet Hospital stated in the area, and Wacom which is a high tech firm just did a regional relocation instead of leaving the area. Pyszka stated that Greater Portland Inc. also helped recruit Aruba to the area which was looking at Denver Colorado as a site option.

Harden asked if having large companies in the area helps with recruitment of similar or related businesses. Pyszka explained that is part of the recruitment strategy. Greater Portland Inc. works on grouping companies together which help them grow and expand. Harden asked how food processing businesses may fit into the region. Harden stated that food processing looked low on the list, but the City has Pressure Safe LLC, and Townsend Farms is just down the street. Pyszka explained that food processing could be a great fit for this area, but Greater Portland Inc. tends to focus in on industries with a high payroll and investment which food processing typically does not have.

Nissen asked about how the talent pool in the region could be built up to help recruit some of these industries. Pyszka stated that the Greater Portland Inc. works with Systems Inc. which is a private company that creates online learning tools. There are also training grants available for qualified employers to cover employees while they are still learning on the job.

Frank asked if Greater Portland Inc. had anything to do with Under Amor coming to the region. Pyszka stated that was not one of their recruitments, and the outdoor and athletic industries are very competitive, and do not always like to cluster together. Pyszka explained that in those cases Greater Portland Inc. focuses more on training and the overall talent pool of the region.

The Council thanked Pyszka for the information and presentation.

RESOLUTION 18-2015 – SUPPORTING THE HALSEY STREET CORRIDOR CONCEPT

Peterson presented the resolution and stated that it is in support of a grant application for the Halsey Street Corridor project. Peterson explained that the grant application is being submitted by the City of Fairview, and the deadline is June 1st.

Smith asked if that other cities have taken action to support the grant. Peterson stated that Troutdale approved the support, but Fairview has not yet taken any action. Harden asked if the 200 hours to support this effort was included on the APP, and if that was for the full project or just the grant. Peterson stated that the 200 hours were included on the APP, and it is for the entire project.

Upon motion by Harden, seconded by Nissen and passing 5-0. Resolution 18-2015 supporting the Halsey Street Corridor Concept was approved.

DISCUSSION: CITY STREET LIGHT STANDARDS

Peterson presented the discussion and stated that there is no direct approach to add or install street lights in existing neighborhoods. Peterson explained that in the past six months there have been three requests for streets lights in existing neighborhoods. Peterson stated that two of the requests were the in the Urban Renewal District, and the board voted to pay for the cost to add those lights. The third request is outside of the Urban Renewal District, and some action needs to be taken on that request.

Peterson explained that the existing City code covers new development for street lights, but does not go into detail about the style of poles which can increase the maintenance costs. Peterson stated that staff contacted other cities to determine how they handle this issue. Peterson explained that there are basically two positions that cities have taken. The first position is that the city just pays for the installation and maintenance of new lights. Peterson explained that the idea behind that position is that the people have been paying all the same fees, but without the benefit of having street lights. Peterson stated that the other position is that the property owners pay for the lights.

Peterson stated that there would have to be standards set in place if the Council elects to move forward on a street light policy. Peterson recommended using the National Illumination Standards which is what PGE uses. Peterson explained that would mean that street lights would be no closer than 300 feet except in cul-de-sacs, intersections, or crosswalks. Peterson stated that a lot of cities do not have any standards set in place, and Troutdale and Fairview belong to the Mid-County Street Lighting Service District which handles all the street lighting issues. Peterson explained that the City had the option to join with them, but the Council at that time declined. Peterson stated that the City could still join the group, but it would require a vote of the people, and a new tax levy.

Peterson stated that the request still in question is on 238th Pl. There are no street lights in that area, and none were required when the development was built in 1977. Peterson explained that the electricity is underground in that area, and there are no existing poles to install any lights. Peterson stated that staff contacted PGE for an estimate, and two lights would be needed to meet the minimum standards. The cost for a basic fixture and pole would be \$1,200. The City would be responsible for the trenching and conduit installation. Peterson explained that there would then be the monthly service fees, but that it is something the City already pays for anyway.

Peterson explained that Portland does not allow any new street lights to be installed in existing neighborhoods unless they are in a high crime area based on the crime statistics. Those residents then have to pay \$1,200 and form a neighborhood watch group. Peterson stated that Gresham budgets and pays for about 30 additional street lights a year based on neighborhoods requests, and the national lighting standards. Peterson explained that Clackamas County and Oregon City make the property owners pay for the lighting, and form an LID to pay for the maintenance which can be for up to 20 years.

Peterson explained that staff's first response to the request was to have the street lights put in, and have the City pay for it. Peterson stated that the street is dark and the residents pay all the same fees, so it seemed like a base service. Peterson explained that staff then decided to ask the Council about their thoughts on the matter. Peterson stated that the issues in question are who pays for the installation of the lights, and if a formal policy should be developed or just handled on a case by case basis. Peterson explained that he could go either way on that issue as there are not a lot of requests that come in. Peterson explained that the one nuance is if someone wants a decorative pole. Those

poles are three times as much to purchase, and twice as much to maintain.

Frank asked who paid for the decorative poles in Riverwood. Peterson stated that the developer paid for the decorative poles, but the City pays the higher maintenance costs. Clark stated that the street in question is the street he lives on, and stated that he feels there should be a policy. Clark explained that the street is very dark, and feels that the property owners would be willing to pay. Clark stated that maybe there could be limited funds each year in the budget to pay for street lights if the costs were paid for by the City. That could help reduce runaway costs.

Smith stated that she feels that there should be a policy as well, but it should be for the minimum requirements on a case by case basis. Smith explained that she feels that the City should pay for the cost as well. Nissen asked how many requests have come in. Peterson stated that there have been three requests since 2011. Nissen stated that he feels there should be a written policy which would help with continuity over time. Nissen explained that he feels that the cost should be split between the City and the property owners because street lights in new developments are paid for by the developer. There should be a budgeted amount each year to handle three to five new lights a year.

Harden stated that there needs to be a standard for the lights regardless of who pays for them. Harden stated that he feels that there should not be any options, and the only type that is allowed is the simple fiberglass pole with standard LED head. Harden stated that he is okay with the City paying for the costs since there are few requests, and not a lot of cost involved.

Frank stated that he likes the idea of going case by case because it is not a burning issue. Frank explained that he is hesitant to develop a policy because it may not fit in all cases. A policy could always be developed in the future if there are issues.

Smith stated that she feels the City should pay for the lights. Harden agreed. Clark stated that he would abstain from the discussion because of the potential conflict of interest. Harden stated that there should be a policy to indicate the standards. Nissen stated that he could be okay with the City paying the costs if it is the minimum fiberglass pole with LED head.

Peterson stated that he could write a policy that includes the basic pole and head, minimum lighting standards, but still require Council authorization. Frank stated that he is still concerned about the potential for runaway costs if there are a lot of requests for lights. Condit stated that the Council could include a set amount of money each year, and there would be no more lights added that year once that money is gone. That approach could help reduce potential runaway costs.

Nissen asked what the maintenance costs are per pole. Peterson stated that it is \$18 a month per pole. Clark asked how a request could be brought forward, and if it could be done by a group or individual. Peterson stated that in other cases requests were brought forward by individuals. The city or the property owner then did the outreach to the neighborhood to ensure that the lights were wanted in that area.

Peterson stated that he will bring forward a street light policy at the next Council meeting. The policy will outline the minimum lighting requirements, and that the only option is the basic fiberglass pole with LED head. They will be installed at the City's expense up to the budgeted amount each year.

DISCUSSION: MARIJUANA TAX OPTIONS

Peterson presented the discussion and stated that there was a shift at the state level just today regarding potential marijuana regulations. Condit stated that there is a fight between medical and recreational marijuana groups, and there is a push to ratchet down on medical marijuana regulations.

Harden stated that he had a conversation with Sen. Laurie Monnes Anderson, and there is an impetus to ban medical marijuana facilities where the voters did not vote in favor of the measure. Harden stated that there could still be issues in locations where the Council wants to ban a dispensary, but the voters were in favor of the measure. Peterson stated that neither the House nor the Senate match on regulations or taxation at this point.

Peterson stated that in addition to the state licensed facility across the street there are two additional locations in the City that are getting a lot of attention. The first site is in the Fairwood Plaza on Halsey, and the other site is on 242nd and Glisan. Peterson explained that measure 91 included a provision that prohibited local taxes. A lot of cities enacted a tax prior to the adoption of that measure. Peterson stated that there is now a lot of discussions on local taxation and how that might work. Peterson explained that there is no clear direction, and nothing will be known until July.

Peterson stated that even if the state allows for a local tax option, the City has a charter provision that requires a public vote on all taxes. To be on the next November election, the City would have to have a measure in place by mid-August. Peterson explained that he just wanted to ask the question if the Council was interested in having a tax on recreational or medical marijuana if permitted by the state. Peterson stated that except for Fairview which has a 40% tax, the other area cities have a 10 % tax on marijuana. Peterson explained that it is likely that higher tax rates like Fairview's will be tossed out, but there are 69 other cities that have a tax in place.

Clark asked if the tax proceeds could go to the General Fund. Peterson stated the proceeds could go to the General Fund and be spent on any item that because this would be a tax and not a fee. Harden asked about the taxing provision, and what that rate would be. Peterson stated that there are two thoughts on the taxation method. One is on the grower, and the other is at the point of sale. Harden stated that he is not in favor of adopting a tax, and any tax should be fairly minimal to help reduce or eliminate black market sales. Harden explained that having marijuana that is dramatically more expensive than the black market will not solve the issues. Condit stated that at the beginning of the legislative session there seemed to be a crackdown on local taxation, but now there seems to be a compromise to allow it. Condit stated that it is still too soon to tell what will be adopted.

Clark asked how the black market could be affected if the legal sales had a 10% tax. Harden stated that the taxation in Washington was set too high, and the black market is still strong because of that action. Peterson stated that the legislature is looking at point of sale taxes which can fluctuate with the market rate of marijuana.

Peterson stated that when the state adopts the final rules, the Council will need to have a discussion on land uses for producers, warehousing, and wholesales of marijuana. Peterson explained that decision is discretionary, and the Council does not need to act to permit those land uses. Peterson stated that according to national crime statistics, it is these types of facilities and not the retail outlets that have generated a lot of crime.

Clark stated that he would not mind having a tax in place. Smith agreed. Nissen stated that he could be in favor of a tax because all the surrounding cities have a tax in place. Peterson stated that at this point it is all still theoretical, and we do not know what the state will do. Harden stated that it would also be up to the citizen's to vote for the tax. Peterson stated that all this is about is having a ballot measure to ask the question to the residents.

Peterson stated that he understands that the Council would like to direct that a ballot measure be prepared for the November election if local taxation is authorized at the state level. Peterson stated that right now the tentative rates look like 10% of recreational, and 5% for medical marijuana.

PUBLIC WORKS DIRECTOR'S REPORT

Gunter presented the report and stated that the Park Master Plan open house was not well attended, but good ideas were presented. Gunter explained that there were not a lot of residents, but there was good engagement by the consultants.

Gunter stated that the Waste Water Master Plan is still ongoing, and staff is working with MSA to finalize some options to have the document adopted next month. Gunter stated that the Shea lift station project is nearing completion with the installation of the three-phase power. Gunter stated that the Building Department has been working hard with the owners of the truck repair facility on Halsey. Gunter explained that the building was red tagged, and the business owner has substantially completed the life safety issues. The building is now back open for business.

Gunter stated that the City is currently a Phase 1 community under the MS-4 storm water permit. Gutner explained that the City will be a Phase 2 community which will create a new level of storm water sampling requirements. That process has not yet started, but it will occur sometime within the next year or two. Nissen asked what the costs will be for the additional sampling. Gunter stated that the rules have not yet been finalized, but it could be anywhere from \$7,500 to \$15,000 a year. Smith asked why the changes have occurred. Gunter explained that sampling process have changed with the increase in technology. Testing used to be in parts per million, and now it can be in parts per billion.

Gunter stated that the Fred Meyer fueling station is coming along well, as is the new building at Brasher's. Clark asked if a ribbon cutting was planned for the fueling station. Peterson stated that nothing has been scheduled, but he can look into it. Gunter stated that a municipal code violation report is in the packet, and there has been an increase in enforcement for tall grass with the warmer weather.

Harden asked about the enforcement issues at the truck repair facility, and if the experience will change the way future incidents are handled. Peterson stated that the main lesson was that some people cannot be trusted to follow up on what they say they will do. Peterson explained that this has been the first time that has occurred here, and does not plan on changing the approach unless directed. Harden stated that if the approach generally works then that is okay, but it seems like this case went on for too long. Gutner stated that there were several factors that lead to the ongoing case. Gunter explained that both the City and the Building Official had staff turnover which caused some delays in enforcement and follow up.

FINANCE DIRECTOR'S REPORT

Minter presented the report and stated that the finances are on track for the year end. Minter explained that staff will review the capital expenses to determine if any funds need to roll over into the next fiscal year. Minter stated that revenues are on track except for cigarette taxes which are down. Minter stated that the investments are at \$4.7 million, and the budget should be ready for adoption at the June 9th Council meeting. Minter explained that the new auditing firm will be sending over the schedule soon, and it will be the same people that were involved the last time the firm was here.

Minter stated that the Finance Department took on a benchmarking project for the payroll process. The process involved reviewing the payroll system with 16 other cities for best practices and potential improvements to our process. Minter explained that overall we are on par, and a bit better in terms of internal controls. Minter stated that staff also developed a comprehensive payroll manual out of the process which will be good to help train future employees. Minter explained that potential improvements to the payroll system include emailing payroll stubs to employees, and electronically importing the timesheets to help reduce duplicated processes.

The Council thanked Minter for the report, and work done on the payroll process.

CITY ADMINISTRATOR'S REPORT

Peterson stated that he wanted to reinforce the great work that Minter and the Finance Department did on the benchmarking report. Peterson explained that benchmarking is required as part of the APP, and it is a great way to audit the activities of the City.

Peterson stated that the APP update is in the packet. The Town Center Master Plan update is now under contract, and work should begin within the next few weeks. Peterson explained that process will work very well with the upcoming Halsey Corridor work. Peterson stated that the RFP for appraisal services for the City Hall site are out, and the award will be in early June. Peterson explained that the Parks Master Plan and Waste Water Plan may not be completed by the end of June, but it will be close.

CITY COUNCIL REPORTS

Clark stated that there is nothing new to report out of EMCTC. Clark explained that there was a great discussion at MPAC regarding the voting process, and how there have been issues after a unanimous vote to attempt to overturn the vote. Clark stated that voting members felt that Metro had a set decision already presented, and the group would

like to have options before voting. Clark stated that these conversations are ongoing, and have really helped with the process. Clark stated that a new discussion topic at MPAC has been about equity, and right now it is still a vague topic as it involves equity at all levels. Clark explained that MPAC is looking at creating guidelines or benchmarking standards around equity for future projects.

Smith stated that EMEA now has a new candidate for the director position, but the attendance has been declining. Overall the organization does not seem healthy.

ADJOURN

With no further business coming before the Council, and upon motion by Harden, seconded by Clark and passing 5-0, the Council adjourned at 8:17pm.

Patricia Smith
Mayor

Date

ATTEST:

Greg Dirks