



**MONDAY, APRIL 4, 2022  
CITY COUNCIL MEETING  
Regular meeting 7:00 pm  
COUNCIL CHAMBERS  
33568 EAST COLUMBIA AVENUE  
SCAPPOOSE, OREGON 97056**

**Call to Order**

Mayor Burge called the meeting to order at 7:00 p.m.

**Pledge of Allegiance**

**Roll Call**

Scott Burge	Mayor	Alexandra Rains	City Manager
Megan Greisen	Council President	Isaac Butman	Assistant to the City Manager
Josh Poling	Councilor	Susan M. Reeves	City Recorder
Peter McHugh	Councilor	Huell Whitehaus	Assistant to Public Works Director
Tyler Miller	Councilor		
Peter Watts	Legal Counsel		

**Excused:** Councilor Brandon Lesowske

**Remote:** Beth Rajski; and City Planner Laurie Oliver (left the meeting at 7:09pm)

**Approval of the Agenda**

Councilor Poling moved, and Councilor Miller seconded the motion to approve the agenda. Motion passed (5-0). Mayor Burge, aye; Council President Greisen, aye; Councilor Poling, aye; Councilor McHugh, aye; and Councilor Miller, aye.

**Public Comment ~ Items not on the agenda**

Stephanie West explained she is the current President of the Grant Watts Parent Organization. She thanked Council on behalf of the community for all that they do. She explained being a volunteer herself she knows the time, effort, and energy that it takes to put into one thing, but you have many things on your plate, so thank you! She explained every year they put on or try to put on their annual spring auction and this year they are so grateful and excited that it is happening again. She explained this year it is going to be online, just like last year. She

explained they wanted to cordially invite the public. She thanked the City for posting their bulletin in the City's newsletter and many thanks to Council President Greisen for helping facilitate that. She explained the auction is taking place April 25 -April 30. She handed out a little flower with the auction information on it. She explained all the proceeds go to support their next year's fiscal budget which allows them to make things happen at the schools. She explained they know they're heavily supported as best they can be but where there seems to be a gap or a need they try to be the gap filler, but that is only possible if volunteers and people like you go the extra mile. She explained there are quite a bit of things becoming made available many thanks to some volunteers. She explained you can visit their website at [gwpo.org/auction](http://gwpo.org/auction) and you can find more information there.

Council thanked Stephanie.

### **Consent Agenda ~ March 21, 2022 Council Work Session minutes and March 21, 2022 City Council meeting minutes**

Councilor McHugh moved, and Councilor Poling seconded the motion to approve the Consent Agenda ~ March 21, 2022 Council Work Session minutes and March 21, 2022 City Council meeting minutes. Motion passed (5-0). Mayor Burge, aye; Council President Greisen, aye; Councilor Poling, aye; Councilor McHugh, aye; and Councilor Miller, aye.

### **Old Business**

#### **Ord No. 899: An Ordinance Amending Scappoose Municipal Code Title 12, Chapter 12.24 Street Renaming**

City Planner Laurie Oliver Joseph explained this ordinance is on second reading and it has received a motion and a second for approval.

Mayor Burge read the title for a second time ~ Ord No. 899: An Ordinance Amending Scappoose Municipal Code Title 12, Chapter 12.24 Street Renaming.

Motion passed (5-0). Mayor Burge, aye; Council President Greisen, aye; Councilor Poling, aye; Councilor McHugh, aye; and Councilor Miller, aye.

#### **Salmonberry Academy ARPA Request**

Assistant to Public Works Director Huell Whitehaus gave an overview. The staff report states City Council has shown a keen interest in understanding and responding to the need for childcare services for Scappoose families. The need for more robust childcare services has been heightened due to the disruption caused by the pandemic. The Department of Treasury has also recognized this need, as reflected in the recent Overview of the Final Rule. According to the Overview, private childcare providers are considered "disproportionately impacted small businesses."<sup>1</sup> (1 US Department of Treasury, Coronavirus State & Local Fiscal Recovery Funds: Overview of the Final Rule (January 2022), at 22). Staff was contacted by Salmonberry Academy LLC (SA) in late

February inquiring about funding opportunities. SA’s request was included and briefly discussed at the March 21, 2022 Work Session on ARPA. Following the Work Session, City Council invited SA to attend an upcoming meeting to discuss their request in greater detail. **ANALYSIS:** SA is a local small business that provides preschool and daycare services for children ages 3-5 on a part-time basis. SA desires to expand their business by becoming a Certified Center2, (2 While all childcare facilities are required to be licensed, “certified” in this context defines a commercial operation with greater flexibility in terms of the number of children the center is permitted to serve. Currently, only two (2) certified centers operate in Scappoose. City of Scappoose, *City Council Meeting Packet*, October 18, 2021, Exhibit D, at 158-160). but lacks the financial resources to make the building improvements to their space that would be required for SA to expand their business and serve more families. SA’s vision includes:

- 1) Increase class offerings from a single mixed age class into four separate classes a. Preschool (ages 2.5 – 3.5)
  - b. Pre-K (ages 3.5 – 4.5)
  - c. Kindergarten (ages 4.5 – 6)
  - d. Before & After School Care (ages 2.5 – 12)
- 2) Increase service capacity from 10 to 40 students per day
- 3) Operate three (3) courses simultaneously by adding two (2) additional teaching positions
- 4) Provide full-time childcare
- 5) Serve a broader age range so that families can stay together at one location

Salmonberry Academy LLC lacks the funds to make the necessary improvements to become a Certified Childcare Center. The first step for SA is to hire an architect to conduct a building code analysis. While the code analysis is required, SA is aware that the necessary improvements will include installation of a fire protection system, a fenced outdoor play area, and additional minor construction work. Costs are indicated below and were provided by Salmonberry Academy LLC:

Architect	Code Analysis	\$3,500
Fire Protection (Design & Build)	Fire sprinkler system installation	\$125,661
Outdoor Safety	Fenced outdoor play area	\$7,177
Construction	Construct & Repair work following sprinkler install	TBD
	<b>Total</b>	<b>\$136,338</b>

**Exhibit A:** Informational Slides from Salmonberry Academy

Kim Eder stated she is not sure if Council had time to look over the notes or if there are any questions for them.

Council President Greisen thanked Kim and Katie for the comprehensive documents with detailed information, as well as the amazing packet with all the lovely pictures and the things they do every day. She asked about the lease agreement with the building owner, which they were going to potentially look into after the last meeting.

Kim Eder explained she spoke with Matthew and he is happy to make it any terms, just give him the information that Council wants in the lease.

Council President Greisen asked about the fire sprinkler system and if it will be installed throughout the whole facility and if there has been any discussion about the church contributing to the cost of the system.

Kim Eder replied yes, there's just simply not the income through the church to have extra for that cost and they are just now finding out how much that cost is.

Councilor Miller asked they have looked at other locations that could potentially accommodate their needs that have these accommodations already in them?

Kim Eder replied yes, she has been looking for years. Recently she just found out that by OHSU there will be a rental opening, but then there is an issue with the outdoor space. She explained there are a lot of underlying rules within the childcare division. She doesn't know if they have sprinklers there either.

Legal Counsel Peter Watts explained as far as structuring the lease his recommendation would be a one-year lease then they would have the option for one year at a time for like a twenty-five or thirty-year period. He recommends that structure so that if at some point they outgrew this space or there was something else they wouldn't be tied into twenty-five years per se but that if they wanted to continue that option they could.

Councilor Miller talked about this business investing in the building that someone else owns, in addition to the City possibly investing in this business and how that is a risk.

Katie talked about being a parent having searched a ton for childcare out here in the last years and having struggled. She also talked about watching the parents scramble to get their kids shuffled to another location since their program ends at noon. She explained their vision is to streamline that process for parents in the community.

Kim Eder explained it is not really about them, it is for the community.

Council President Greisen replied she appreciates them seeing the need.

Councilor Poling stated to Kim and Katie, thank you for coming to us. He stated personally he thinks there is a huge need for daycare and early learning. His biggest concern, as Councilor Miller mentioned, is the building is not owned by Kim and Katie, it is owned by a separate party. He stated even with the lease he would have some concerns about the future running of the business. He stated Council is stewards of the community and the money that they spend and he thinks we just have to be cautious in what direction we go.

Councilor McHugh stated he appreciates what Kim and Katie are doing. He explained he has the same concerns as Councilor Miller and Councilor Poling.

Katie explained when they were looking for space that was a huge challenge and that is why they landed at the Foursquare Church.

Council President Greisen is trying to think outside the box to get more community support for them.

Councilor Miller asked if they know what would be the turnaround time for the contractors to get the work done?

Kim Eder replied she is not sure, but she thinks they are ready to start the projects at anytime.

Councilor Miller asked Kim if there is a way the church could fund these capital improvements then pass it on to Kim through a lease?

Kim Eder replied she is not sure.

Councilor McHugh mentioned the house on Grabhorn Park property.

City Manager Rains replied currently it is occupied.

Legal Counsel Peter Watts explained things would need to be done at that house in order to meet the requirements.

Councilor Miller explained we are focused on the daycare, but it has to make sense.

Council President Greisen explained she doesn't see how this is presented that Council can approve this, but that doesn't take away from the fact they don't support this happening. She talked about how do they create opportunity for this to happen.

Councilor Poling stated maybe having the possibility of some outreach of funds by the community or if there's anyone in the community who can help have the conversations with the landlord.

Councilor Miller suggested maybe having a member from the church come talk to Council.

Council President Greisen stated we look forward to continuing this conversation with you.

Council thanked Kim and Katie.

### **Habitat for Humanity ARPA Request**

Present this evening is Jim Horn, Attorney for Habitat for Humanity; Jennifer Anderson, Executive Director Columbia County Habitat for Humanity; and Boyd Ruby, President of Columbia County Habitat for Humanity.

Jim Horn talked about the legal basis for requesting the funds. He went over the Federal Rule. He explained we are looking at again the qualifications for the operation here to invest in habitat residence here in Scappoose. It says with regard to negative economic impacts, as with the interim final rule under the final rule recipients may presume that a household or population that experienced unemployment, experienced increased food or housing insecurity, or is low moderate-income experience negative economic impacts resulting from the pandemic. He read the section that talks about low to moderate income recipients. It says the final rule defines a household as moderate income if it has (i) income at or below 200 percent of the FPG for the size of its household based on the most recently published poverty guidelines.

Jennifer Anderson went over how Habitat for Humanity's standards compare with the Federal Poverty Guidelines.

Jim Horn stated there has also been the issue raised by the City Attorney about the Qualified Census Tracts (QCT) issue. He explained that has been something that he has been talking with Legal Counsel Peter Watts about since last November, he believes. He read where it states however, Treasury recognizes that QCT's do not capture all underserved populations, including for reasons noted by commenters. He read where it states recipients may also identify other households, populations and communities disproportionately impacted by the pandemic. He stated so we are not bound just by QCT's. He thinks under these standards, he knows Mr. Watts has had some concerns about qualifying. He stated the people that Habitat are serving definitely qualify. He explained the City Attorney mentioned at the last meeting that he was a little concerned about the risk of allocating funds to this cause and he guesses he doesn't really know what the risk involved is here.

Legal Counsel Peter Watts replied the way these rules are set up is that there are certain rules for communities that have QCT's and they are allowed to do almost anything. He explained if you look at Scappoose and our household income, it is around \$80,000 per household. He

explained the proponents for affordable housing, and he thinks everyone knows that's a tremendous need, lobby Congress and ask Congress and the Treasury Department to please expand the definitions so that affordable housing could be built, and that did not happen. He stated so what they did do is they added that language it's pointed to which is like QCT isn't the only metric you can use and they gave that language. He explained our issue is that what we have in our record is that for household incomes we are among the ten highest in the State of Oregon. He stated when this application originally came in Habitat didn't own the property and we didn't have the details on what was going to be built. He explained we now know it's going to be ten units. He explained the other things that he and City Manager Rains flagged when they looked at this is where would the other funds come from. He stated if we were to get audited and the Federal Government were to say how can you claim that your circumstances are substantially similar to a QCT, the problem is he doesn't think that he can. He explained as City Attorney his job is to advise the City on risk so what he would say is if we were a community that had a lot of poverty in it, that had a very low household income that was just outside of a QCT, he would feel pretty good about saying yes, we fit within the criteria. He just doesn't see any of those facts here that would allow him to say with any level of certainty that you can make the finding that we're substantially similar to a reservation or a QCT. He just doesn't see it, but that doesn't mean that those facts don't exist. He just hasn't seen them and he thinks that would be a very difficult argument to make. He explained those are all of his kind of reservations; like how much does this overall project cost; where are the other funds going to come from for it; can we make the findings that were substantially similar to a QCT. Those were all things that were flagged as legal risks associated with this application.

Jim Horn replied in response if we're looking at the median income in Scappoose, we're not serving the median income in Scappoose, we're serving the lower to moderate income people or else you know, maybe nobody in Scappoose would be eligible because we have that at level of income in the town. He stated we've got precedent around Oregon, even Lake Oswego voted to provide funds for their Habitat. He stated if Habitat in Lake Oswego qualified, we certainly should qualify. He explained there has already been an investment in these properties here.

Jennifer Anderson replied they have paid \$450,000 for the property, in which they borrowed \$350,000. She explained Lake Oswego approved \$800,000 for infrastructure.

Councilor Miller asked do we know if what Habitat is trying to do here can actually occur? He stated we don't even know if this is a feasible project. He wants to make sure that this is an actual viable project. He would want to see something that convinces him that for this project Habitat will be able to make up the additional funds that are going to be needed to continue this project through to the end.

Boyd Ruby explained Habitat for Humanity is an International Organization and when they begin building a house, they don't sit with the funds in their account. He stated they start the

project and then they come up with the funds and that is the way they have done it for all the homes that they have built.

Jennifer Anderson explained they hired her in 2016 and she started doing things differently. She explained they used to hold all of the mortgages and so they stopped doing that so they can build their capacity. She explained at this point when they sell a home, they sell it for a mortgage that the family can afford and then they fill in the gap with their forgivable mortgage. She explained they are receiving back probably a couple hundred thousand dollars with each house that they sell, which they roll into the next project. She explained they have not had problems funding any homes that they are building between the Restore, donations, grants and this money. She explained what they are not used to is putting in waterlines, sewer and half street improvements, as all of those are outside what they normally deal with. She explained they would come in and build a few of these houses at a time, not all ten. She explained the money they are requesting would be for infrastructure.

Councilor McHugh explained it seems like what Jim Horn pointed out, opens the door for us to move forward with this. He stated he could be all wrong on that, but it seems like there's enough room there that our ability to go forward and our chances of having to pay back that money is really minimal. He stated sometimes you take a risk and do what you think is right. He stated unless this risk is a lot greater than he thinks it is, he is willing to take the risk and move forward.

Councilor Poling stated speaking on risk, say if the Council decides that we want to move forward with this project and the Treasury Department did come back and say no this doesn't follow the ARPA rules, and those funds are no longer available for it, how does that work?

Legal Counsel Peter Watts replied we would have to disgorge the funds. He stated in regard to Lake Oswego providing \$800,000 to Habitat for Humanity it's quite possible that money went to a project on a QCT. He explained he just doesn't see where this qualifies.

Council President Greisen asked how much is the minimum they would need?

Jennifer Anderson replied somewhere around \$100,000 to not slow this project down.

Councilor Poling explained he would like to see more information on communities that have used ARPA funds for projects like these.

Legal Counsel Peter Watts explained if we had a letter from the Treasury Department that would certainly change his mind. He read through the final rules, he tried to arrive at the best legal opinion he could. He explained Habitat for Humanity is a wonderful organization and it has nothing to do with the organization. He stated it has everything to do with he applies facts to

criteria to the law and then tries to arrive at a place where he can give the City legal risk and that's what he has done in this situation.

Boyd Ruby asked if more information is gathered from other Cities who have provided ARPA funds to Habitat for Humanity will that change Mr. Watts opinion, because Council is relying on his opinion.

Council President Greisen replied you are missing one component; Council gets the final say. She explained Peter Watts is just their advisor, it doesn't mean they have to agree with him. She stated you don't need to try to convince Peter Watts to convince Council, you have to convince Council.

Boyd Ruby replied thank you for that.

Council thanked Jim, Jennifer and Boyd.

### **New Business**

#### **City Banners**

Assistant to Public Works Director Huell Whitehaus went over the staff report. He thanked Columbia River PUD for taking the current banners down. He explained staff is looking at new seasonal City banners along Highway 30. For the Winter season, City Council authorized the purchase and display of the red and blue snowflake banners along Highway 30. The installation of the banners received positive feedback. Staff is seeking guidance on the selection of generic welcome banners to replace the current Winter seasonal banners for the rest of the year. Option 1: Staff recommends Council authorize the City Manager to approve the purchase of the chosen community banners up to \$5,000. Option 2: Staff recommends Council appoint a Council liaison to work with City Staff to assist in selecting the banner(s) to be installed.

Councilor Poling talked about the theme we are kind of heading into, which is adventure. So he is looking for something that could help bring that out even more.

City Manager Rains explained we could keep looking or find something that would be more to your liking.

Councilor Miller asked are we thinking we will have banners up all the time? He asked how did the banners that are currently up do?

Assistant to Public Works Director Huell Whitehaus replied as far as he is aware there weren't any issues.

Council President Greisen replied she personally would like to explore a more custom option. Her vision is having "Scappoose" and the logo, something more simplistic.

Councilor McHugh agrees with Council President Greisen that we should do something more custom.

Mayor Burge agrees.

Councilor Miller stated he wonders if we should table this for a little bit, because they have some other decisions and business coming up that could inform them better on this.

Mayor Burge stated why don't we move this to the first meeting in May.

Assistant to Public Works Director Huell Whitehaus explained the one caution he will share on this is that Columbia River PUD has been putting up and taking down the banners. We might need to come up with some sort of an agreement with them.

### **Adventure Festival Logo**

Assistant to the City Manager Isaac Butman went over the staff report. At the March 7, 2022, City Council Meeting, City Council asked for a number of revisions to the Adventure Festival Logo. Staff took Council comments on the logo back to Treadway Events for revision.

Changes include:

- Removal of the Mountain.
- Refocusing the logo around the types of outdoors activities that we have to offer here in Scappoose.
- Applying these and other adjustments to increase legibility and reproducibility.

The revised logo can be seen in Exhibit A (in the staff report) as logo #5. Treadway and their graphic designer have indicated that they have reached the maximum number of revisions under our current contract. To date we have received five different logo designs from the graphic designer. All logos received so far for consideration are included in Exhibit A (in the staff report). Work on Adventure Fest is substantially on hold pending the finalization of the logo. No marketing, advertising, or sponsorship work can be done until a determination on the logo is made. Staff recommends that Council approve a logo for Adventure Fest so that work on the event can continue.

Councilor Poling explained he is all for #5 because of its simplicity, it gets to the point and it's very scalable.

Mayor Burge stated sometimes simplest is the easiest.

Council President Greisen moved, and Councilor Poling seconded the motion to approve logo # 5, as the official logo for the Scappoose Adventure Festival. Motion passed (5-0). Mayor Burge, aye; Council President Greisen, aye; Councilor Poling, aye; Councilor McHugh, aye; and Councilor Miller, aye.

### **Announcements – information only**

## Calendar

Mayor Burge went over the calendar.

### **Updates: City Manager, Police Department, Councilors, and Mayor**

City Manager Rains explained we received a \$5,000 grant from Columbia River PUD, from their Economic Development Program and we are going to use that towards the Adventure Festival. She explained Phase I and II of the Columbia Commerce Center are now being platted, so the 14 acres that will come to the City we will soon own so we will be able to move forward with developing that into a park.

Councilor Poling stated continue to support your local businesses. He explained with the cost of goods going up and the shortage on labor everybody's having a tough time, but we will want to continue to grow our local restaurants and businesses so continue to support them.

Council President Greisen explained being a dog owner, which she is one herself, you have quite a responsibility to take care of your pet and be responsible for how your pet engages in the community. She stated unfortunately she feels like dog owners need a bit of a reminder of our responsibility and what that looks like in terms of our City code and the law. She just encourages dog owners to leash their animal when they are not on their private property. She stated you might trust your dog and you might think that your dog is trustworthy, but perhaps hers is not and hers won't engage with the other dog in a friendly manner, not true, her dog is very friendly, but, nonetheless. She stated children or other adults might have trauma from dogs and it is just disrespectful and we have a responsibility as dog owners to leash our animals. She explained she also sees, specifically at Veterans Park, people using the fenced baseball fields as their own dog park. She reminded dog owners to pick up after their dogs. While she understands that the dog park might not be the best place for all dogs, because they may not get along with each other, again it is the law and part of our City code, your dog does need to be leashed. She encourages them to go to the dog park at a time that's not as busy or try to go to the smaller dog park area. She stated the second part about being a dog owner, is picking up after them. She explained on the school district property there are signs that say no dogs/animals allowed on school district property. She was assisting with putting up signs on the school district for the story book walk and she literally stuck a sign right in dog poop. She stated that is a public service announcement for all dog owners. She talked about those who sit on the City's advisory committees and how Council could not do what they do without their input and legwork and ideas. The committee members shape a lot of the Council goals. She kindly reminds those that sit on advisory committees, that they communicate with staff and Council in a really open and transparent manner and come to them with concerns and that they refrain from speaking to others on behalf of the City or as if they are representing the City on initiatives that we're not working on. She stated she thinks it all works best when we stay within our roles

but work together collaboratively in our respective roles. She stated thank you. This is also a reminder to those who sit on our committees.

Councilor McHugh said last Saturday he was at Veterans Park and it was opening day for Little League and the park was packed and the upper parking lot was full. He stated Veterans Park gets a lot of use and he doesn't think there would be room for a pickle ball court there, because it is a full park right now. He explained he spoke with City Manager Rains and she mentioned staff had talked about putting the pickle ball courts at Miller Park. He replied what a great idea! He stated Veterans Park does get a lot of use, all very positive. He stated Councilor Miller has brought up a good point about safety between cars.

Mayor Burge talked about the local OMIC additives building, which is basically 3d printing with metal. He explained not only are they going to be building that building, and they are already planning a third building, so that enterprise is growing and it's going to impact this community in a very positive way, which it already has. He stated PCC is up and going, all really exciting.

### Adjournment

Mayor Burge adjourned the meeting at 8:46pm.

  
\_\_\_\_\_  
Mayor Scott Burge

Attest:

  
\_\_\_\_\_  
City Recorder Susan M. Reeves, MMC