

MONDAY, OCTOBER 21, 2019
CITY COUNCIL MEETING AGENDA
Regular meeting, starting at 6:00 p.m.
Scappoose Council Chambers
33568 East Columbia Avenue

Call to Order

Mayor Burge called the City Council meeting to order at 6:00 p.m.

Pledge of Allegiance

Roll Call

Scott Burge	Mayor	Jim Macfarlane	Police Lieutenant
Patrick Kessi	Council President	Susan M. Reeves	City Recorder
Megan Greisen	Councilor	Laurie Oliver	City Planner
Joel Haugen	Councilor	Alexandra Rains	Assistant to City Manager
Josh Poling	Councilor		
Brandon Lesowske	Councilor		
Pete McHugh	Councilor		

Legal Counsel Peter Watts

Press: Anna Del Savio, Columbia County Spotlight

Also Present: Consultant Elaine Howard

Approval of the Agenda

Councilor Greisen moved, and Councilor Haugen seconded the motion to approve the agenda. Motion passed (7-0). Mayor Burge, aye; Council President Kessi, aye; Councilor Greisen, aye; Councilor Haugen, aye; Councilor Poling, aye; Councilor Lesowske, aye and Councilor McHugh, aye.

Public Comments

There were no public comments.

Consent Agenda ~ October 7, 2019 City Council meeting minutes

Councilor Haugen moved, and Councilor Poling seconded the motion to approve the Consent Agenda ~ October 7, 2019 City Council meeting minutes. Motion passed (7-0). Mayor Burge, aye; Council President Kessi, aye; Councilor Greisen, aye; Councilor Haugen, aye; Councilor Poling, aye; Councilor Lesowske, aye and Councilor McHugh, aye.

New Business

Ordinance No. 886: An Ordinance Making Certain Determinations and Findings Relating to and Approving the Scappoose Urban Renewal Plan and Directing that Notice of Approval be Published

Mayor Burge read the opening statement and then opened the public hearing at 6:01 p.m.

City Planner Laurie Oliver went over the staff report. She explained the Scappoose City Council is being asked to hold a hearing on October 21, 2019 to gain input regarding the Council's consideration and potential adoption of the proposed Scappoose Urban Renewal Plan (Plan), to hold a first reading of the ordinance and to vote on the ordinance to adopt the Plan at the November 18, 2019 meeting. The Planning Commission held a public hearing regarding this proposal on September 12, 2019, and unanimously recommended approval by the City Council based on the findings of fact contained in the revised Planning Commission staff report dated September 11, 2019. Exhibit D of Ordinance 886, attached, contains the Planning Commission meeting minutes. She explained Assistant to City Manager Alexandra Rains would go over the background of the project and Elaine Howard will cover the roll of City Council, provide one last crash course on Urban Renewal, she will go over the boundary, the projects in the plan, the financial information from the plan and the next steps for adoption.

City Planner Laurie Oliver explained staff did receive one additional comment after the Planning Commission meeting. She explained Council should have a copy in front of them, submitted by local business owner Dale Ogan and it has been entered into the record. She explained Mr. Ogan was also at the Planning Commission meeting and provided public comment at the meeting along the same lines. She explained Mr. Ogan has concerns about the study and the conversion of West Columbia to a two-way, in that it would take out some on street parking which he feels is necessary for the businesses. She wanted to point out that this study does also show up in the adopted 2016 Transportation System Plan. She explained this was vetted during a five-year public process involving coordination with ODOT's Transportation Planners and Engineers and City staff. She explained we won't know if it is possible or if it is feasible to do the conversion unless we do the study. She explained it would be an important east/west connection and it is already signalized, so that is why it was included in the TSP. She explained there is another study identified in the Urban Renewal Plan, which is a Downtown Parking Study. She explained one of the things that she asked Elaine about is the possibility of coupling those together in the plan so those go together, so we are not looking at one without the other to know what the connection there would be to any displaced parking. She explained that would be something easy that Council could recommend prior to adoption and Elaine could quickly make that change for us.

Consultant Elaine Howard went over what they are going to cover this evening and she explained a lot of it is what you have heard before, but because it is a public hearing and it was advertised to the entire City she needs to make sure they repeat the information.

Assistant to City Manager Alexandra Rains went over the background. She explained the City of Scappoose hired ECONorthwest and Tiberius Solutions, LLC in 2018 to complete an urban renewal feasibility study to evaluate the benefits and drawbacks of using urban renewal as a tool to invest in infrastructure and other needed community projects in the City's industrial

areas and downtown commercial core. After review of the feasibility study by the City Council, a team of ECONorthwest, Tiberius Solutions, LLC and Elaine Howard Consulting, LLC was hired to complete the Plan and Report Accompanying the Scappoose Urban Renewal Plan (Report). As part of the preparation of the Plan and Report, a Technical Advisory Committee (TAC) was formed to review the boundary, projects and financial components of the urban renewal plan and report. The TAC met three times and provided direct input into the preparation of the Plan and Report. The City Council was briefed and provided input in March and May of 2019 and again when the formation of the Agency came before them for action in June of 2019. An urban renewal survey was posted to the City website and copies were distributed with City utility bills in the early months of 2019. The survey solicited feedback on community goals for the downtown and industrial areas of the city, asked where the town center is or should be, and what improvements and investments could make the space more like a town center moving forward. Over 160 responses were received. The City's urban renewal consultant team asked similar questions and solicited feedback during their presentation and break out session at the city's Annual Town Meeting on March 2, 2019. They focused on educating the community on the basics of urban renewal and gathering feedback on goals and priorities. All information gathered during these two processes was then shared with the TAC and City Council in order to help inform their selection of projects for inclusion in the urban renewal plan. During the same time period as the preparation of the Plan and Report, Zimmer Gunsul Frasca (ZGF) worked with staff and the community to prepare urban design concepts to be incorporated in future planning within the potential urban renewal area. These concepts were shared with the TAC and City Council.

The Scappoose Urban Renewal Area (Area), shown in Figure 1, consists of approximately 475.8 acres of land including rights of way. The purpose of urban renewal is to improve specific areas of a city that are poorly developed or underdeveloped. The Area has many properties that are undeveloped or underdeveloped and lacks sufficient infrastructure within the Area as identified in the Report. The Plan contains goals, objectives, and projects for the development of the Area. The goals of the Plan are listed in Section IV of the attached Plan. The specific projects proposed in this Plan are outlined in Section V, VI of the Plan and include Water/Sewer Improvements, Transportation, Other Transportation, Business and Property Owner Incentives, and Administration. The overall purpose of the Plan is to use tax increment financing to overcome obstacles to the proper development of the Area. Urban renewal is unique in that it brings its own financing source: tax increment financing. Tax increment revenues - the amount of property taxes generated by the increase in total assessed values in the urban renewal area from the time the urban renewal area is first established - are used to repay borrowed funds. The funds borrowed are used to pay for urban renewal projects. The Plan is projected to take 30 years of tax increment revenue collection.

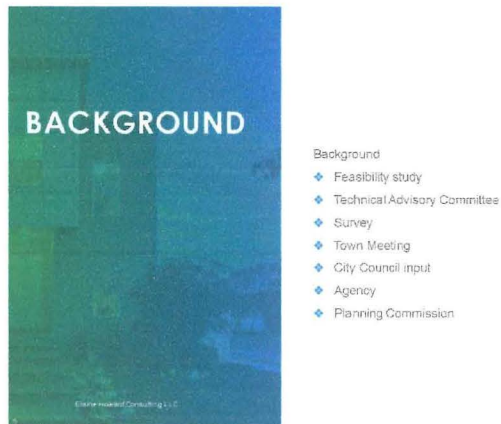
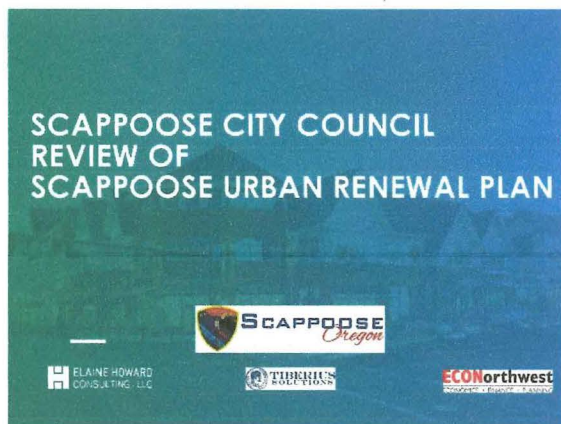
Adoption Process:

The process for approval of the urban renewal plan will include the following steps, in accordance with ORS 457.

1. Preparation of a Plan including opportunity for citizen involvement.
2. Agency review of the proposed Plan and accompanying Report on August 19, 2019
3. Review and recommendation by the Scappoose Planning Commission on September 12, 2019.
4. Presentation of the Plan to the Columbia County Commission for a briefing on August 28, 2019.
5. Notice to citizens of consideration of an ordinance via utility bills in August.

6. Forwarding a copy of the proposed Plan and the Report to the governing body of each taxing district. The formal taxing districts letters were sent out on August 20, 2019.
7. Hearing by Scappoose City Council and adoption of the proposed Plan and accompanying Report by a non-emergency ordinance. The hearing and first reading of the Ordinance will be held on October 21, 2019 and the second reading and vote by City Council will occur on November 18, 2019. The ordinance must be a non-emergency ordinance, which means that the ordinance does not take effect until 30 days after its approval and during that period of time may be referred to Scappoose voters if a sufficient number of signatures are obtained on a referral petition.
8. The ordinance also calls for publication of a notice that the Council has adopted the ordinance, for the recording of the Plan by the Columbia County Clerk and for transmitting the Plan to the Columbia County Assessor.

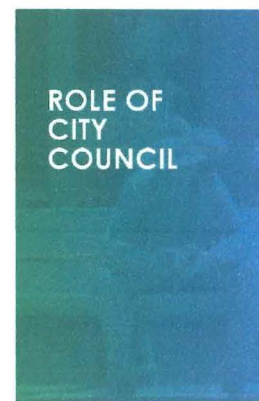
Elaine Howard went over the power point.



Hear testimony on Scappoose Urban Renewal Plan

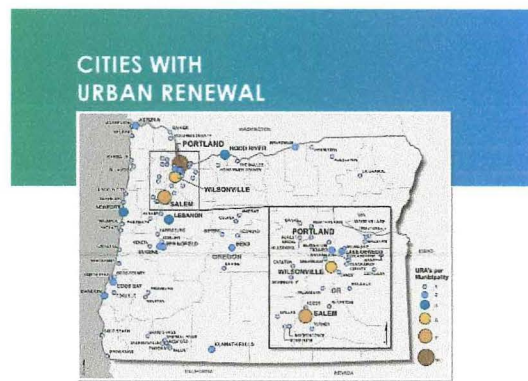
Complete first reading of ordinance

Send the ordinance to second reading on November 18.



UR 101 WHAT IS URBAN RENEWAL?

- Economic development tool
- Unique in that it is a financing tool, but also a plan with projects
- Used to address "blighting" influences in specific areas
- Functions on increases in property tax revenues in "Urban Renewal Areas"
- Used all over Oregon (Map on next slide)



UR 201

WHAT IS BLIGHT?

- Blight is a precondition to any Urban Renewal Area
- Specific criteria defined by state statute, generally covers:
 - Underdevelopment or underutilization of property
 - Poor condition of buildings
 - Inadequacy of infrastructure including streets and utilities

Blair Howard Consulting LLC

UR 101

CRASH COURSE | UR 101



Blair Howard Consulting LLC

UR 101

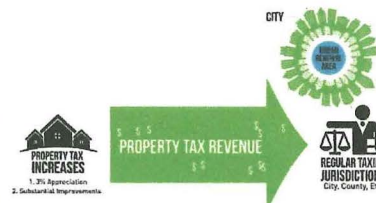
CRASH COURSE | UR 101



Blair Howard Consulting LLC

UR 101

CRASH COURSE | UR 101



Blair Howard Consulting LLC

UR 101

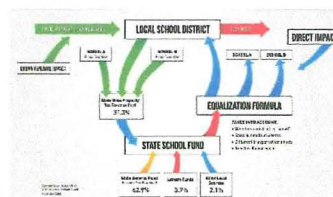
URBAN RENEWAL IMPACT Regular Taxing District



Blair Howard Consulting LLC

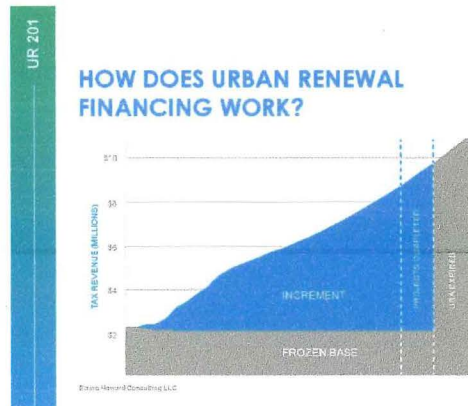
UR 101

URBAN RENEWAL IMPACT Local Schools



Blair Howard Consulting LLC

Elaine Howard explained this is how our schools are funded in Oregon, the schools and education service districts. She explained we can say Urban Renewal has a direct impact on most taxing districts, the City, the County, the Fire District. She explained it has an indirect impact on schools because the property tax revenue for schools goes into the State school fund and is reallocated back out to all of the different school districts. She explained the schools are funded on a per pupil basis.



UR 201
PROPERTY
TAX
SUMMARY

- No new taxes due to the diversion of taxes from Urban Renewal
- Schools are indirectly impacted by urban renewal
- There will be a line item for Urban Renewal on your property tax bill if this Plan is adopted
- There are no bonds or local option levies impacted by the proposed urban renewal plan

Elaine Howard Consulting LLC

UR 201

HOW DOES AN URBAN RENEWAL AREA FUNCTION?

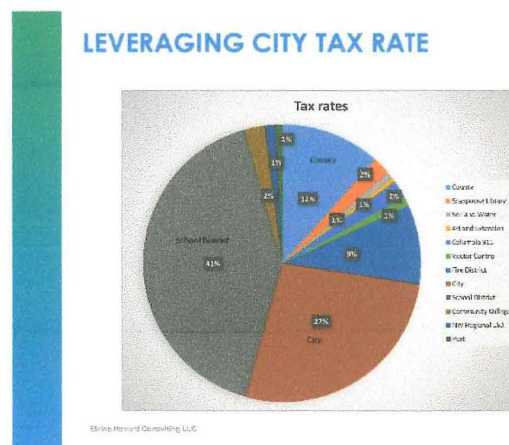
- Income Source**
 - Yearly property tax collections based on growth within Boundary (more detail on mechanism in later slide)
- Expenses**
 - Projects, programs, and administration
- Spending Limit**
 - Capped by Maximum Indebtedness (MI):
 - The total amount of money that can be spent over the life of the district on projects, programs, and administrative
 - MI of Scappoose Plan is \$37,000,000

Elaine Howard Consulting LLC

A HYPOTHETICAL PROPERTY TAX BILL

Taxing District	Rate	Property Value	Property Value	Property Value
Property Value		\$100,000	\$103,000.00	\$103,000.00
County	\$ 1.3992	\$139.92	\$143.72	\$139.92
Scappoose Library	\$ 0.2535	\$25.35	\$25.12	\$25.35
Soil and Water	\$ 0.1000	\$10.00	\$10.30	\$10.00
4th and Extension	\$ 0.0571	\$5.71	\$5.85	\$5.71
Columbia 911	\$ 0.3054	\$30.54	\$31.31	\$30.54
Vulcan Control	\$ 0.1279	\$12.79	\$13.17	\$12.79
Fire District	\$ 1.1145	\$111.45	\$114.72	\$111.45
City	\$ 3.2268	\$322.68	\$332.36	\$322.68
School District	\$ 4.8725	\$487.25	\$502.17	\$487.25
Community College	\$ 0.2828	\$28.28	\$29.13	\$28.28
NW Regional RSD	\$ 0.1638	\$16.38	\$16.84	\$16.38
Port	\$ 0.0865	\$8.65	\$8.91	\$8.65
Urban Renewal				\$36.09
Total	\$ 12.0285	\$1,202.85	\$1,238.95	\$1,238.95

Elaine Howard Consulting LLC



UR 201

IMPACTS TO TAXING DISTRICTS

- Urban Renewal does not provide new money
 - Diverts funds that would go to other property tax districts
- Continue receiving taxes on frozen base
- Temporarily forego taxes on any growth in Urban Renewal area
- Growth may not have occurred but not for urban renewal

Elaine Howard Consulting LLC

URBAN RENEWAL UTOPIA

The following slides detail in a conceptual manner the steps an Assessor goes through to distribute TIF revenues to an Urban Renewal Agency

- 1 Calculation
- 2 Distribution
- 3 Collection

HYPOTHETICAL CITY

Houses in City 40
Total AV 1st Year \$4,000,000

Urban Renewal Consulting LLC

FORMATION OF URA

Houses in City 40
Total AV 1st Year \$4,000,000
25% First Year \$1,000,000
Houses in URA 10

Urban Renewal Consulting LLC

"CALCULATION"

Houses in City 40
Total AV 1st Year \$4,000,000
25% First Year \$1,000,000
Houses in URA 10

Growth = 3%
Total URA AV Growth = \$30,000
Tax Rate = 15.0000
1st Year TIF = \$450

Urban Renewal Consulting LLC

"DISTRIBUTION"

Houses in City 40
Total AV 1st Year \$4,000,000
25% First Year \$1,000,000
Houses in URA 10

Urban Renewal Consulting LLC

"DISTRIBUTION"

Houses in City 40
Total AV 1st Year \$4,000,000
25% First Year \$1,000,000
Houses in URA 10

Urban Renewal Consulting LLC

"DISTRIBUTION" + "COLLECTION"

Houses in City 40
Total AV 1st Year \$4,000,000
25% First Year \$1,000,000
Houses in URA 10

Urban Renewal Consulting LLC

STATE LIMITATIONS ON URBAN RENEWAL

UR 201

- Population under 50,000
 - 25% of Assessed Value of Property in City
 - 25% of Acres in City
- Existing Plan Limitations:
 - Can not be increased in size by more than 20% of original Plan acreage
 - Maximum indebtedness (MI) can not increase by more than 20% of original MI, including
 - May increase MI above 20% as long as only with concurrence from 75% of participating voters

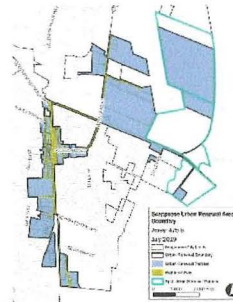
Urban Renewal Consulting LLC

Councilor Greisen asked if the City should put something in the newsletter detailing what tax line item means, that it is not an addition.

UR 201

Public	<ul style="list-style-type: none"> Public Input: Advisory Committee and Open House Goals and Objectives, Projects, Initial Budgets
Agency	<ul style="list-style-type: none"> Agency Review and decides whether to send out for public review
County	<ul style="list-style-type: none"> Presentation to County
PC	<ul style="list-style-type: none"> Planning Commission Review Conformance with Comprehensive Plan
CC	<ul style="list-style-type: none"> City Council Hearing and Vote Notice to all Citizens

Data Harvest Consulting, LLC



Quant Network Consulting LLC

- Water/Sewer Improvements
- Transportation
- Other Transportation
- Business and Property Owner Incentives
- Administration

Elanco Animal Health Company, LLC

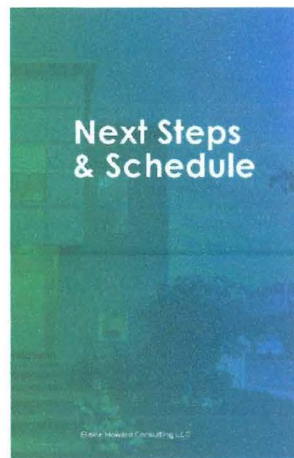
- MI \$37 Million
- 30 years
 - E Zone properties may reduce length of Plan

From Your Art Community

- Table 12 in the Report, page 29
- Shows annual impacts for 30 years

Eaton-Boccard Consulting LLC

**PUBLIC
HEARING**



- | | |
|-------------------------|--------------|
| 1. Agency Meeting | August 19 |
| 2. Columbia County | August 28 |
| 3. Planning Commission | September 12 |
| 4. City Council Hearing | October 21 |
| 5. City Council Vote | November 18 |

Mayor Burge asked if there are any proponents that would like to speak, seeing none he asked if there are any opponents that would like to speak?

Dale Ogden explained he lives in Columbia City, but he owns Longfellows. He stated Council has his letter and they know how he feels. He explained this proposal also takes away fourteen spots. He suggested making Laurel, Watts, Hall, Prairie and Columbia all one-way streets and put parking on both sides, that would make a lot of parking spots in downtown Scappoose.

Mayor Burge talked about City Planner Laurie Oliver mentioning that there was a public parking study for the downtown area and asked Dale if he felt that makes more sense to do both of them at the same time?

Dale Ogden stated he is just concerned about the parking.

City Planner Laurie Oliver stated staff does recommend that Council adopt the Ordinance as presented. She explained the Urban Renewal Agency, as you are aware, forwarded the plan to the Planning Commission, and the Planning Commission recommends adoption.

Councilor Poling stated just to be clear, these are projects we want to complete, not necessarily projects that we have to complete.

City Planner Laurie Oliver replied that is correct.

Assistant to City Manager Alexandra Rains explained basically the idea is to get everything in here that you might want to do because if it's not in here you can't do it without going through a process, but you don't have to do it if it is in here.

Mayor Burge asked if there was any response from staff?

City Planner Laurie Oliver stated staff does recommend Council approve the Ordinance as presented. She explained things can be moved, it is not set in stone.

Councilor Greisen asked when will the budget for this be done?

Elaine Howard replied this would go in the same time frame as your regular City budget.

Legal Counsel Peter Watts replied as this plan is written, Council is the Urban Renewal Committee, so Council would be the one going through the budget process.

Councilor Haugen stated he thinks Elaine, City staff, and Peter have done a really good job on this.

Mayor Burge closed the hearing at 6:36 p.m.

Councilor Haugen moved, and Councilor Poling seconded the motion that Council adopt Ordinance No. 886, as presented.

Councilor Lesowske asked, has Council identified that we were going to couple the parking feasibly study as part of this as well?

Legal Counsel Peter Watts replied if either of these rises to that level where you want to fund it, at that point you could just do both in the same year.

Elaine Howard stated she doesn't think they have to amend the ordinance. She thinks you can say approve the plan with the plan being changed to couple these two projects. She explained so then when it comes back to you in November you will have an additional sentence that says these two projects should be coupled.

Legal Counsel Peter Watts stated the other thing you could do is you have vast discretion in how you interpret your code and documents so you could say for the purposes of this, you consider a future City Council take on those projects at the same time.

Mayor Burge read the title for the first time ~ Ordinance No. 886: An Ordinance Making Certain Determinations and Findings Relating to and Approving the Scappoose Urban Renewal Plan and Directing that Notice of Approval be Published.

Legal Counsel Peter Watts stated he was thinking about all the creative ways that Council could couple the parking and the street plan. He explained if Council wants to do that, now is the time, because we wouldn't want to amend it at the next meeting. He explained you could amend the plan to say that those are essentially one project, instead of two. He thinks that is probably the cleanest way of doing it.

Councilor Poling asked how much work is going to be involved in it, even if we changed it are we making the difference in discretion, are we forcing the hands of a future Council?

City Planner Laurie Oliver replied she would think if Council is changing it now to couple them, it is just a little more clarity that you are providing upfront.

Elaine Howard explained this does acknowledge to the property owner that we heard you and understood you, and we recognize your concern.

Councilor Lesowske moved, and Council President Kessi seconded the motion to amend the motion with the adoption of the transportation study of portions 1 and 2 as one project moving forward. Motion passed (7-0). Mayor Burge, aye; Council President Kessi, aye; Councilor Greisen, aye; Councilor Haugen, aye; Councilor Poling, aye; Councilor Lesowske, aye and Councilor McHugh, aye.

Mayor Burge stated we will redo the first reading Ordinance No. 886: An Ordinance Making Certain Determinations and Findings Relating to and Approving the Scappoose Urban Renewal Plan and Directing that Notice of Approval be Published as amended.

Announcements ~ information only

Calendar ~ Mayor Burge went over the calendar.

City Manager, Police Chief, Councilors, and Mayor

City Recorder Susan Reeves explained the Department Report is in front of Council.

Lieutenant Macfarlane explained last Friday was Homecoming and they gave away 1,800 donuts to all that wanted one at the Scappoose High School football game. It was a fun night for all. He explained Scappoose Police Officers assisted the Scappoose High School with the homecoming parade. On Halloween October 31, 2019, the Scappoose Police Department will be giving away free hot chocolate at the Scappoose High School bus drop off, from 5 pm to 8 pm.

Council President Kessi said the Homecoming Game was a success and he thought the police presence was really good and the doughnut give away was a hit. He thanked the Police Department for making it a safe one.


Councilor Greisen thanked City Council and staff who helped with mock council. She explained there is a stack of thank you cards and a big letter from the students.

Councilor McHugh thanked everyone for making him feel welcome.

Adjournment ~ Mayor Burge adjourned the Council meeting at 6:46 p.m.


Mayor Scott Burge

Attest:


City Recorder Susan M. Reeves, MMC