



Mayor
Patricia Smith

Council President
Mark Clark

Councilors
Stanley Dirks

Timothy Clark

Scott Harden

**REGULAR MEETING OF THE
WOOD VILLAGE CITY COUNCIL**

**May 8, 2012
MINUTES**

PRESENT: Mayor Smith, Council President Mark Clark, Councilors Stanley Dirks, Tim Clark, and Scott Harden, City Attorney Condit, City Administrator Peterson, Public Works Director Jones, Finance Director Minter, and interested parties.

ABSENT: None

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

PLEDGE OF ALLEGIANCE

CITIZEN COMMENTS

There were none.

PUBLIC SAFETY REPORT

Sergeant Lichatowich presented the report and stated that for the month of April the Multnomah County Sheriff's Office responded to 390 incidents which resulted in 216 hours of service and 47 written reports. There were 117 traffic stops and six vehicle accidents resulting in one injury. Lichatowich explained that the new VCAD system is still not accurately tracking the hours spent in the City, but they are working on getting that fixed.

Lichatowich stated that there is a lot of vandalism and theft occurring from Camping World, and the likely suspects are the people living out of their vehicles near that location on Sandy Blvd. Lichatowich explained that while there is an ordinance prohibiting camping or living in an RV on the street, that ordinance does not cover regular vehicles. Adding that provision would provide the MCSO with the authority to police those people who are living in their vehicles.

Lichatowich stated that the Kohl's department store has been getting hit hard by shoplifters, and is one of the most targeted Kohl's store in the state. Lichatowich stated that there were four shoplifters arrested yesterday, which is fairly common for that store. Lichatowich explained that part of the reason why so many shoplifters get caught is because of Kohl's great loss prevention system. The MCSO is also getting ready for the Nite Out event, and it should be another great event.

Mark Clark stated that he recommends that the City Council look at the idea of prohibiting sleeping or living in all vehicles on public streets. Smith asked if the people living in the vehicles were families, drug abusers or criminals. Lichatowich stated that it is probably all kinds of people, but most likely it is the undesirable people. More information will be gathered and presented back to the Council.

The Council thanked Lichatowich for the report.

CONSENT CALENDAR

- a. Review of bills paid in April, 2012
- b. Contracts \$2,500 - \$50,000
 - \$2,986 Campbell Fencing Co. – Hawthorn Fence Project
 - \$3,204 McCrometer Inc. – Production Meter Calibration
- c. Liquor License Application
 - 23424 NE Halsey Sabor Pachuca – Jamie Ortiz
- d. Council Minutes:
 - April 10, 2012
 - April 24, 2012

Mark Clark asked about the payment to Julie Starr. Peterson stated that was for her final paycheck.

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

PUBLIC HEARING: STREET UTILITY FEE

Peterson presented the utility fee and introduced John Ghilarducci from the FCS Group who worked on the utility fee. Peterson stated that the Council directed staff to find a method to stabilize the long term financing of the City, and the ability to continue services. A five year financial projection was presented to the Council in January, and the basics of it were property tax revenues are declining. About one-third of the properties in the City had an actual property tax reduction, and the General Fund's capacity will be reduced over the next several years. Peterson explained that expenditures are increasing, especially for specialty items such as chemicals and contracted services. Those costs are increasing at about 4.6% a year, and revenues are increasing at around 3% a year. This year the operating revenues are greater than operating expenses by about \$4,000 but only because of the proposed street utility fee. Peterson explained that the General Fund has been subsidizing the Street Fund by over \$100,000 a year.

Peterson stated that the first method used to stabilize the finances was to hold down costs while still being able to provide services. Peterson explained that there has been a reduction in total employment by 11%, and personnel costs have been reduced for the third consecutive year. Transfers from the General Fund to the Street Fund have been reduced, but the City will not be able to provide any street service without additional resources. Peterson presented trend data that showed public safety costs increasing beyond property tax revenues. Peterson stated that public safety costs which include police, fire and communications are over \$850,000 which is cost effective and lower than the surrounding communities, but it is still an expensive service.

Peterson stated that costs have been reduced, and contracts have been used to reduce costs further. Peterson explained that revenues can be increased by adding fees for various services. Franchise fees could be increased, but the City is already at the maximum amount allowed, and property tax increases or levies can be explored. Peterson stated that a serial levy is not an option because of the compression issue, and no new revenue would be received. The City did not explore the idea of a sales tax. Peterson stated that the Council requested that a firm be brought in to find a solution to the problem, and protect the investments made in the City while still providing the essential services such as police and fire protection. Peterson explained that if you invest in roads when they are still in good shape, you save money by not having to rebuild them later.

Ghilarducci stated that this project has taken several months and he worked closely with a citizen advisory committee. Ghilarducci explained that the purpose of the project was to address the need for local funding for transportation and stormwater. The state gas tax has not been sufficient for maintaining the roadway system, and an alternative solution has to be legal, equitable, fair, and able to generate enough revenue to cover the maintenance costs. Ghilarducci stated that the citizen advisory committee had representatives from area businesses and local residents. They met in October, December, January and March. It was a great group and they provided good feedback.

Ghilarducci explained that each citizen meeting focused on a single topic, finally culminating at potential rates and rate structures. The first topic discussed was funding sources for roadway maintenance, which includes the state gas tax, but without other revenue sources it is not enough to cover the maintenance costs. There are capital funds available, but they cannot be used for maintenance related items. The utility fee was discussed and recommended as the best option for additional funding sources for continuing maintenance.

Ghilarducci stated that the next issue was the rate structure, and how one could be put together. Rates could be based on a flat fee, parking spaces, or number of trips generated. Ghilarducci

explained that the recommended method was the average daily trip generation as stated in the ITE manual. The ITE manual estimates trip generations based on specific land uses. Residential units would be charged per unit, and commercial establishments would be charged based on their use per 1,000 square feet. The citizen group also recommended that adjustments should be made for linked trips which are trips that would have occurred anyway, and are not the primary trip.

Ghilarducci explained that rate credits were also discussed, and the citizen group recommended that since the City currently offers credits for senior citizens that those credits should apply to the utility fee as well. The committee did not recommend any credits for publicly owned land, or land owned by non-profits. Ghilarducci explained that credits for those groups was not considered because those areas are still being served by the transportation system. Ghilarducci stated that the group did recommend an appeal process for businesses to prove if they have an actual traffic count lower than the ITE manual.

Ghilarducci stated that the City performs both street and stormwater maintenance out of the Street Fund, and most of the stormwater facilities are in the roadway. The two functions were combined into the utility fee, and the trip generation works well both areas. Stormwater deals with water quality and runoff, and the number one issue to water quality is vehicle movement. Ghilarducci explained that typically impervious surface area is used for stormwater fees, but the trip generation method works as well. Ghilarducci stated that the committee recommended that the fees be combined, and the revenues accounted for separately to ensure that the gas tax revenue is spent on roadway maintenance.

Ghilarducci stated that the group also discussed and recognized that most of the major streets in the City are owned and maintained by the County, and the County has reduced the maintenance on all of their streets. The committee discussed if some of the utility fee revenues should go towards increasing the maintenance level on County owned roads within the City. Ghilarducci explained that the group did recommend utilizing a portion of the revenues to induce additional maintenance, but only if an intergovernmental agreement were in place.

Ghilarducci stated that three service levels for maintenance were analyzed. The first service level would keep the status quo, and while that would relieve the General Fund, it would not provide for any additional maintenance. The second service level would include maintenance for streets, and some minor stormwater maintenance. The third level has the highest amount of maintenance service for streets, and capital for stormwater projects. Ghilarducci explained that the group recommended the second service level which seemed the most fair.

Ghilarducci stated that if the rates were calculated uniformly across all sectors, commercial businesses would be paying for about 80% of the total fee because of the trips they generate.

Most of the businesses are located on County owed streets, but they do benefit from local streets, so the recommendation was to split the costs evenly between residential and commercial. That had the effect of reducing the fees for commercial businesses.

Ghilarducci explained that under service level two, the residential rate would be \$7.33 per month for the first year, and then \$12.94 after year four. That fee covers both street and stormwater maintenance. Ghilarducci explained that the City of Portland has a stormwater fee of over \$20 per month, and even after year four, Wood Village would be in the mid range of cities that have a stormwater or transportation fee.

Ghilarducci stated that if the Council elects to proceed, an ordinance would have to be adopted as well as a resolution to establish the fees. An intergovernmental agreement would also be needed if County road maintenance is going to be included. Ghilarducci explained that the target date to implement the fee is July 1st.

Ghilarducci explained that it is important to invest in roads when they are still in good shape. As the road condition deteriorates, the cost of maintenance and repair goes up exponentially. Ghilarducci stated that right now most of the City's streets are in good shape, and it will cost the City less to maintain them now than it will in the future.

Mark Clark asked if Peterson could explain how much from the General Fund has been transferred to the Street Fund just to keep the status quo. Peterson explained that transfers from the General Fund to the Street Fund started in 2004, and has been as high as \$166,000. There has not been any significant roadway upgrades or maintenance activities, but there has been some stormwater activities. Peterson stated that the General Fund does not have the capacity to supplement the Street Fund over time.

Peterson stated that the City's contributions from the state's gas tax have been around \$120,000 to \$140,000 a year, but the needs of the Street Fund are over \$300,000 a year. Peterson explained that the recent increase in gas tax revenue was from the gas tax increase which has not increased since 1993, and the City's population grew increasing the City's share. Mark Clark stated that the gas tax is not increasing as much as the miles actually driven on the streets because vehicles are getting better miles per gallon. The need is greater, but the revenue is less.

Harden asked if Peterson could talk again about the increase in public safety costs and how the property tax revenue does not fully cover those costs. Peterson presented the total public safety costs, and property tax revenues. Peterson explained that traditionally general government functions were entirely funded by property taxes and some franchise fees. Those two combined revenue sources used to cover public safety, parks, administration and other non utility functions.

Tim Clark thanked Ghilarducci for the presentation and for all the work with the citizen advisory committee. Tim Clark asked how the daily residential trips are calculated. Ghilarducci explained that the trips are classified as a trip end which includes each trip in and out of the residence, and includes all mail deliveries and services related to the residence. Peterson stated that about 40% of the traffic generated by a single family home is not from the residence of the home, but other services at the home.

Harden asked about the rates for service level two and if the rates in the packet would be the actual rate. Peterson stated that is correct, and it is based on traffic generation as stated in the ITE manual. Peterson explained that the fee increases in the second year because the remaining ending fund balance in the Street Fund will be used in the first year. The second year's fee will be the fee needed for the Street Fund to be fully self supporting. Any increases after the second year are based on inflation.

Smith asked if there could be a cap on how high the fee could go. Peterson stated that there can be a cap. Tim Clark asked if increases in the fee would be needed beyond year two. Ghilarducci stated that the fee is based on inflation after the second year.

The Council thanked Peterson and Ghilarducci for the presentation.

Smith opened the public hearing.

Bob Shapley from 23831 NE Treehill Drive asked about the rates for apartments and multifamily homes. Harden stated that as proposed the rates for a single family home would be \$7.33 a month for the first year, and up to \$12.94 per month in year four. Multifamily which includes current condos would be \$5 per month for the first year, and up to \$8.33 per month in year four. Manufactured homes would be \$3.77 per month for the first year, and up to \$6.66 in year four. Senior care facilities would be \$2.66 per month in the first year, and up to \$4.49 in year four.

Shapley asked how the idea of a transportation fee got started and how did it evolve. Peterson stated that cost capture can be done, and it is not a tax. To implement that for a transportation fee, an allocation system has to be developed that identifies benefits and assigns a related cost. Peterson explained that this type of fee is used extensively on the East Coast.

Condit stated that there has been a large progression in stormwater fees mainly because of new regulations for discharge and treatment. Condit explained that there were few regulations many years ago, but the new regulations have resulted in increased costs.

Garland Trzynka from 23600 NE Holladay Court stated that the last time road maintenance was done, the quality was very poor and asked if the quality of workmanship would improve.

Peterson explained that the standards used for roadway maintenance are vastly different than what they were ten years ago. Peterson stated that if the City could only afford a basic crack seal, then the ride quality would be rough and the road would not look very good. Peterson stated that the hope is to not have to drop to that level.

Trzynka asked how many miles of streets does the City maintain. Peterson stated that the City maintains about 4.4 miles of roadway. Trzynka asked how the proposed fee compares to area cities. Ghilarducci explained that Gresham, Troutdale and Fairview have stormwater fees, and showed the comparison chart of cities with transportation and utility fees.

Libio Tapia from 1739 NE 230th Court stated that there is a lot of crime in that area, and it is probably linked to the pedestrian pathway and asked what can be done about reducing crime. Smith stated that this public hearing is not for that topic, but stated that Tapia should work with the MCSO, and try to set up a neighborhood watch group in that neighborhood. Smith stated that there are plans to improve that pathway which should help reduce illegitimate foot traffic. Tapia thanked the Council for their time.

Peterson stated that Don Cook from 1640 NE 238th wrote the City a letter regarding the transportation fee. Peterson presented the letter and explained that Cook is seeking a waiver from the fee because of stormwater mitigation he had to do on his property several years ago. Peterson stated that he does not recommend a fee waiver for that instance because it appeared to be a development issue regarding ground water. Mark Clark stated that the water that is being diverted from Cook's property is probably going into the stormwater system anyway.

Smith closed the Public Hearing.

Peterson stated that the format was to present the information, and if the Council wanted to proceed, that an ordinance and resolution be brought back at the May 22nd Council meeting. Peterson stated that a rate cap and index can be added to the ordinance. Harden asked if the cost to the General Fund for the senior discount can be presented at the May 22nd meeting as well. Peterson stated he could provide that information.

Upon motion by Mark Clark, seconded by Dirks and passing 5-0, the Council directed that an ordinance establishing a transportation and stormwater utility fee, and a resolution establishing the fees be presented at the May 22nd City Council meeting.

ORDINANCE 6-2012: TRANSPORTATION SYSTEM PLAN UPDATE

Peterson presented the ordinance and stated that this update was funded with a TGM grant, and Matt Hughart from Kittleson and Associates worked on the plan. Hughart explained that this TSP was a focused update, and the entire system was not looked at. Instead, the update focused

on active transportation to meet the regional goals established by Metro. Hughart explained that roadway and vehicle movement was not reviewed because of the East Metro Connections Plan, and it is anticipated that several projects will come out of that plan to address traffic movement within the City. That project should be wrapped up within the next six months to a year.

Hughart stated that the first revision was to the functional classification maps in order for them to be consistent with other map classifications. Minor changes were made, and a text amendment was made regarding the County's designation of Arata Road. Hughart explained that roadway design standards and roadway elements were also revised to make them consistent and align with the Halsey and Arata Street designs.

Hughart stated that the rest of the focus was spent on pedestrian, bicycle and transit movement and access. A series of capital projects was identified as well as new development projects in order to fill the gaps in network. Hughart explained that projects range from adding sidewalks to reconfiguring existing sidewalks where they do not meet current standards. The projects can be completed as funds become available, or as redevelopment occurs.

Hughart stated that the bicycle plan is similar to the pedestrian plan to infill existing gaps in the system. The transit plan was also revised, and the current transit routes are Halsey, Sandy and 223rd. Hughart explained that expanding transit options at the local level is difficult to do, but roadways were identified for better or increased transit use. Those roadways were Arata Road and Wood Village Blvd. Hughart stated that while you cannot force the service, the plan formally designates the transit areas which can aid future transit options for redevelopment projects.

Hughart stated that increasing connectivity was the most substantial piece of the project. Hughart explained that the goal was to make it easier for residents to get from point A to point B, and to possibly be able to do that without the use of a vehicle. The idea was to increase connections especially between residential and commercial areas. Hughart stated that right now a person may live 1/8 of a mile from the shopping center, but has to drive of half a mile on a major street to get there. Hughart explained that cloud options were used to identify potential project areas. Cloud options identify project areas and types, but not specific routes or projects because most of the project will come when the parcel redevelops, but we do not know how the parcel will redevelop. Hughart explained that increased connectivity can occur at the old dog track site when it redevelops, but we do not know what that redevelopment will be. All the cloud options are loosely defined connections associated with redevelopment.

Peterson stated that the Planning Commission worked on the Comprehensive Plan and Development Code sections. Peterson explained that the work on the Comprehensive Plan included removing the prohibitions on not extending Stanley Street or Holladay. Peterson stated

that the Planning Commission recommended that both provisions be removed which would allow those roadway sections to expand if redevelopment occurred. Peterson explained that other revisions to the Comprehensive Plan included eliminating cul-de-sacs and dead end streets. Peterson stated that it was very common in the 1960's and 70's to construct cul-de-sacs, but now we have realized that they increase travel time and congestion. Green street standards were included, and reducing the number of private access points onto major arterials. Transit related items and improvements were also added.

Peterson stated that if all of the items are adopted, then the City will be in compliance with the regional functional plan.

Peterson explained that the Development Code amendments deal with the right of way widths, updates street templates and classification provisions. Skinny street standards were added which are required by Metro. Skinny streets discourage speed and traffic movements, but would not exceed 330 feet between intersections. Pedestrian connections and pathways were also added. Peterson explained that roads that do not extend to their full length would be posted that they would be continued at a future date. Other regional partners such as the County and ODOT would have to be notified for land use changes, which the City already does. Peterson stated that access to transit facilities will also be required as part of the plan review process. Peterson stated that the findings are in the staff report and the recommendation is to adopt the findings and both ordinances amending the Comprehensive Plan and Development Code.

Mark Clark asked about the required sidewalks in new developments and asked who would maintain them. Peterson stated that there is an existing code provision that makes the adjacent property owner responsible for the maintenance. Peterson explained that pedestrian pathways would have to be maintained by the City.

Harden asked if the City had to put up signs right now on streets that may be developed further in the future. Peterson stated that is not required for existing streets, but it is not a bad idea to do that.

Smith opened the Public Hearing.

There were no comments.

Smith closed the Public Hearing.

Upon motion by Dirks, seconded by Tim Clark and passing 5-0, the first reading by title only of Ordinance 6-2012 amending the Comprehensive Plan was approved.

Minter gave the first reading by title only of Ordinance 6-2012 amending the Comprehensive Plan.

Upon motion by Tim Clark, seconded by Harden and passing 5-0, the second reading by title only of Ordinance 6-2012 amending the Comprehensive Plan was approved.

Minter gave the second reading by title only of Ordinance 6-2012 amending the Comprehensive Plan.

Upon motion by Mark Clark, seconded by Dirks and passing 5-0, Ordinance 6-2012 amending the Comprehensive Plan was adopted.

ORDINANCE 7-2012: TRANSPORTATION SYSTEM PLAN UPDATE

Smith opened the Public Hearing.

There were no comments.

Smith closed the Public Hearing.

Upon motion by Harden, seconded by Mark Clark and passing 5-0, the first reading by title only of Ordinance 7-2012 amending the Zoning and Development Code for the TSP update was approved.

Minter gave the first reading by title only of Ordinance 7-2012 amending the Zoning and Development Code for the TSP update.

Upon motion by Dirks, seconded by Mark Clark and passing 5-0, the second reading by title only of Ordinance 7-2012 amending the Zoning and Development Code for the TSP update was approved.

Minter gave the second reading by title only of Ordinance 7-2012 amending the Zoning and Development Code for the TSP update.

Upon motion by Tim Clark, seconded by Harden and passing 5-0, Ordinance 7-2012 amending the Zoning and Development Code for the TSP update was adopted.

ORDINANCE 8-2012 AMENDING THE CI ZONE

Peterson presented the ordinance and stated that it is a proposed text amendment, and a public hearing will be needed.

Smith opened the Public Hearing.

There were no comments.

Smith closed the Public Hearing.

Peterson explained that the text amendment was originated by the City Council after a land owner in the CI zone came to a Council meeting regarding how the restricted land use made the property difficult to market. Peterson stated that the properties in the CI zone total about 75 acres and was designed to encourage freeway oriented activities which improve the economic vitality of the City. Peterson presented the land uses that are authorized in the zone and explained that they were revised in 2009 after a series of studies, and Metro's designation of a Title 4 significant land.

Peterson stated that the revisions made in 2009 maintained some uses, but limited other uses because of the limited amount to land within the City. The focus was on land uses that have the most investment and jobs per acre. Peterson explained that Metro updated their list of 100 top industrial lands and none of them were in this area. Peterson explained that some parcels are not development ready, or would have to be combined with other parcels to attract a large development. Peterson stated that while the area is still designated as Title 4, some revisions can be made to allow industrial services to be authorized. Peterson explained that the Planning Commission recommended that industrial service land uses not make up more than 20% of the zone area. Peterson stated that an applicant must also prove that their land use will not create any additional traffic burdens inside the zone. A prohibition for auto and truck stops was also included.

Peterson presented the findings and stated that the Planning Commission recommended that the amendment be adopted.

Smith opened the floor for public comment.

Mark Wubbens from All Wood Recyclers stated that he is interested in purchasing a property in that zone to act as his maintenance shop. Wubbens explained that they would construct a shop facility and use the existing structure as an office. Mark Clark asked about the construction of the new shop facility. Wubbens stated that it would be about 50 by 80 feet and contain a paved driveway and gravel lot.

Harden stated that the Planning Commission recommended the 20% limit in order to preserve the high use vision while still adding flexibility. Peterson stated that 20% is about 15 acres. The Planning Commission had a good thoughtful discussion on the topic.

Smith closed the floor for comments.

Upon motion by Tim Clark, seconded by Dirks and passing 5-0, the first reading by title only of Ordinance 8-2012 amending the CI Zone was approved.

Minter gave the first reading by title only of Ordinance 8-2012 amending the CI Zone.

Upon motion by Harden, seconded by Mark Clark and passing 5-0, the second reading by title only of Ordinance 8-2012 amending the CI Zone was approved.

Minter gave the second reading by title only of Ordinance 8-2012 amending the CI Zone.

Upon motion by Dirks, seconded by Harden and passing 5-0, Ordinance 8-2012 amending the CI Zone was adopted.

ADJOURN

With no further business coming before the Council, and upon motion by Dirks, seconded by Harden and passing 5-0, the Council adjourned at 8:08pm.



Patricia Smith
Mayor

6-13-2012

Date

ATTEST:



Greg Dirks
City Recorder