



CITY OF OREGON CITY

CITY COMMISSION REGULAR MEETING - REVISED MINUTES

Commission Chambers, Libke Public Safety Facility, 1234 Linn Ave, Oregon City
Wednesday, August 16, 2023 at 7:00 PM

REGULAR MEETING OF THE CITY COMMISSION

1. CONVENE MEETING AND ROLL CALL

Mayor Denyse McGriff convened the meeting at 7:02 PM.

PRESENT: 4 – Commissioner Mike Mitchell, Commissioner Frank O'Donnell, Commissioner Adam Marl, Mayor Denyse McGriff

EXCUSED: 1 - Commissioner Rocky Smith

STAFFERS: 11 - City Manager Tony Konkol, City Recorder Jakob Wiley, Economic Development Manager James Graham, Public Works Director John Lewis, Community Development Director Aquilla Hurd-Ravich, IT Director Mike Dobaj, Communications Manager Jarrod Lyman, Finance Director Matt Zook, Human Resources Director Patrick Foiles, Police Chief Jim Band, Police Captain Shaun Davis

2. FLAG SALUTE

3. CEREMONIES AND PROCLAMATIONS

3a. Oath of Office for Oregon City Chief of Police Shaun Davis

Jim Band, retiring Police Chief, introduced Shaun Davis. Tony Konkol, City Manager, discussed reasons Mr. Davis was the right choice for this role.

Mayor McGriff administered the oath of office to new Police Chief Davis.

4. CITIZEN COMMENTS

Carol and Lance Earle, residents of Oregon City, discussed the proposed downtown homeless center. They asked the Commission to oppose the project as it would increase the homeless population and impact the City. They asked how citizens would be notified of a permit request and have the opportunity to comment. They also wanted to know the process for putting a measure on the ballot.

Mayor McGriff noted the building had not been purchased yet and the City was not involved in the project. No land use application would come through if it was an allowed use in the zone.

5. PRESENTATIONS

5a. Oregon City Heritage Coordinating Committee - Parade Thank You

Doug Neeley thanked the City for funding their parade floats and discussed how the floats tied into the historic homes in Oregon City. Thelma Haggemiller, resident of Oak Grove, explained the purpose and work of the Oregon City Heritage Coordinating Committee.

6. ADOPTION OF THE AGENDA

The agenda was adopted as presented.

7. CONSENT AGENDA

Motion made by Commissioner Mitchell, seconded by Commissioner Marl, to approve the consent agenda. The motion carried by the following vote:

Voting Aye: Commissioner Marl, Mayor McGriff, Commissioner O'Donnell, and Commissioner Mitchell

- 7a. OLCC: Liquor License Application – Full On-Premises, Commercial, New Hings Restaurant, 527 Main Street, Oregon City
- 7b. Personal Services Agreement with Precision Locating for Utility Locate Services Throughout Oregon City (PS 23-013)
- 7c. College Resource Officer (CRO) Intergovernmental Agreement (IGA)
- 7d. School Resource Officer (SRO) Intergovernmental Agreement (IGA)
- 7e. Personal Services Agreement (PSA) with Willamette Falls Media Center for Cable Broadcast and Streaming Services
- 7f. Minutes of the April 19, 2023 City Commission Meeting
- 7g. Minutes of the May 9, 2023 City Commission Work Session

8. PUBLIC HEARINGS

- 8a. SDC Appeal – 624 Main Street – Building Permit # BCOMM 23-00032

Mayor McGriff opened the public hearing.

John Lewis, Public Works Director, presented the staff report. The request was to appeal the sewer, water, and parks SDCs for the application at 624 Main Street. He explained what the SDCs were based on and the dispute over the current code language as it pertained to eligibility for reduction in SDCs and the definition of the most recent structure. He explained the lookback limitations to prior uses and how no SDCs had been paid for this property in the past.

There was discussion regarding creating a policy for historic buildings that predated SDCs, finding a nexus to reduce the SDCs or subsidize them, and how the transportation SDCs had been waived for this application.

Jessica Iselin, representing the applicant, said the SDC assessment for this building was \$163,000 which was about 25% of the overall cost of the project. They were appealing on the credit for previous uses as they were getting no credit for previous hospitality uses that had occurred before the year 2000. They

were also appealing the applicability of the reimbursement SDC as the infrastructure was already in place and could accommodate the proposed redevelopment. She discussed the SDCs on other projects and how it might halt positive development that brought restoration and preservation to historic buildings because it was so costly.

Larry Maderas, applicant, said the building had mostly been retail, but it was not credited that way. The majority of the main level had been credited as storage which was a lesser credit.

Seth Henderson, resident of Portland, said a portion of the funding for this project was through the Oregon Main Street grant program. He discussed the original intention of the SDCs. This building had been a restaurant before and it was returning to the use. It had the same storm, sewer, and water connections. They needed to support the vibrancy of main street, the sensitivity of this location, and a fair, reasonable assessment of the SDCs.

Rebecca Schaleger, resident of Oregon City, was a lawyer operating her business in the City. She was in process of expanding her business and purchasing a building in the Canemah Historic District. It had been used as commercial for many years, however none of the previous occupants had gone through the process to show it was not being used as residential. Because of that, she would have to pay \$42,000 to use it as it had been used for years. She planned to do interior improvements and decorate it four times a year and open it up to the public. She found out in the inspection that exterior repairs were also needed. She was willing to do that, but not pay the SDCs.

Vickie Gackle, resident of Oregon City, was concerned about what was coming ahead as she owned a building she planned to put on the market soon. The SDCs made a difference.

Mr. Lewis said it was a policy decision and trying to find a nexus. He explained how cities had used SDCs for sewer rehab and replacement of pipes. They understood the use of SDCs and abided by state regulations.

Tony Konkol, City Manager, explained if residential converted to a commercial use, but no building permits were issued for the tenant improvements, the City did not have a way to track the change of use.

Carrie Richter, City Attorney, said when the unpermitted tenant improvements happened, the SDCs were not paid. The idea of an SDC credit was that the SDC was paid already and the payment was being passed on to the subsequent user. That was a separate issue from the Commission deciding historic buildings were worth subsidizing because of the public or economic benefit. What was before the Commission was if the criteria were satisfied to give the applicant a credit. The applicant was also advocating for a change in the policy because it made sense to subsidize preservation. If that was the direction of the Commission, they would need to amend the code and not do it through this appeal.

Mayor McGriff agreed the code should be changed, especially for historic areas where they wanted to encourage rehabilitation and preservation.

Commissioner O'Donnell said the basic methodology was sound, but it only went so far. They wanted to establish a vibrant economic community and there should be further discussion about it.

Commissioner Mitchell said they were talking about SDCs and infrastructure that was needed regardless of how old the building was. He did not think they should adjust SDCs based on the age of the building. The economic development/historic reuse and preservation was a worthy goal but needed to be done in a different way.

Commissioner Marl said this building was a priority for redevelopment. However, they had to follow the code. He thought they should look into revising the code to be more friendly to redevelopment.

Mayor McGriff closed the public hearing.

There was consensus for staff to look at how other historic communities addressed this issue and to expedite the legislative process to make these code changes.

Mayor McGriff reopened the public hearing.

There was discussion with Mr. Henderson about the grant and the improvements that could be done without the permits, using some of the grant to off-set the SDCs, duration of the grant, and deferring the SDCs.

Mayor McGriff closed the public hearing.

Motion made by Commissioner Mitchell, seconded by Commissioner Marl, to deny the SDC Appeal for 624 Main Street. The motion carried by the following vote:

Voting Aye: Commissioner Marl, Commissioner O'Donnell, and Commissioner Mitchell

Voting Nay: Mayor McGriff

Motion made by Commissioner Marl, seconded by Commissioner Mitchell, to direct staff to explore ways to remedy the situation to make this a feasible project. The motion carried by the following vote:

Voting Aye: Commissioner Marl, Commissioner O'Donnell, Mayor McGriff, and Commissioner Mitchell

9. GENERAL BUSINESS

9a. Mt. View Cemetery Restroom Project Update

Denise Toyooka, Assistant Parks and Recreation Director, gave an update on the Mt. View Cemetery restroom project. She gave a project overview, project schedule, project financials, old buildings/demo, footings/utilities, parking lot, concrete work, men's and women's restrooms, storage area, garbage enclosure, and landscaping.

There was discussion regarding reasons for the change orders, project manager, getting the Commission involved when projects went over the original estimate, and succession planning when the staff lead was out.

9b. Joint Values on the Proposed Regional Congestion Pricing and Toll Projects within the Portland Metro Region

Commissioner Marl gave an update on the joint values document that was approved by C4 and had been disbursed to the different jurisdictions in Clackamas County for approval. There were concerns that it was too neutral and the C4 tolling strategy subcommittee made some changes to make it stronger. He suggested tabling this item until C4 approved it and it was sent out again. There were cities in Clackamas County that did not share this position and they needed to keep lines of communication open with them as well.

Motion made by Commissioner Marl, seconded by Mayor McGriff, to table the joint values document on the proposed regional congestion pricing and toll

projects within the Portland Metro Region. The motion carried by the following vote:

Voting Aye: Commissioner Marl, Commissioner O'Donnell, Mayor McGriff, and Commissioner Mitchell

10. COMMUNICATIONS

11. City Manager

11a. Assistant City Manager - Job Description and Recruitment Process Update

Mr. Konkol said the Commission approved the new Assistant City Manager position beginning January 1, 2024. A job description, responsibilities, and recruitment process had been provided for Commission approval.

There was discussion regarding adding the recognition of the value of DEI, how the Commission wanted to participate in the selection process, upholding the chain of command, expanding the first round of interviews with external partners, and how the Commission would only be involved in the open house for the final candidates. There was consensus for staff to move forward as discussed.

12. Commissioners

None

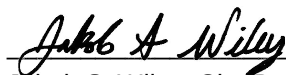
13. Mayor

Mayor McGriff thanked Mr. Lewis for helping her put "No Left Turn" signs on the bridge.

14. ADJOURNMENT

Mayor McGriff adjourned the meeting at 10:12 PM.

Respectfully submitted,



Jakob S. Wiley, City Recorder