



CITY OF OREGON CITY

URBAN RENEWAL COMMISSION

MINUTES

Commission Chambers, Libke Public Safety Facility, 1234 Linn Ave, Oregon City
Wednesday, June 07, 2023 at 5:30 PM

CALL TO ORDER

Chair Mike Mitchell called the meeting to order at 6:00 PM.

ROLL CALL

PRESENT: 7 - Commissioner Denyse McGriff, Commissioner Frank O'Donnell, Commissioner Rocky Smith, Commissioner Doug Neeley, Commissioner Adam Marl, Vice Chair Shawn Cross, Chair Mike Mitchell

STAFFERS: 10 - City Manager Tony Konkol, City Recorder Jakob Wiley, Economic Development Manager James Graham, Finance Director Matt Zook, Human Resources Director Patrick Foiles, Senior Planner Christina Robertson-Gardiner, Assistant Public Works Director Vance Walker, Deputy Finance Director Erin Wilke, Communications Manager Jarrod Lyman, IT Director Mike Dobaj

CITIZEN COMMENTS

There were no citizen comments unrelated to discussion items.

DISCUSSION ITEM

1. Minutes of the March 1, 2023 Urban Renewal Commission Meeting
2. Minutes of the February 1, 2023 Urban Renewal Commission Meeting
3. Minutes of the January 18, 2023 Urban Renewal Commission Meeting
4. Minutes of the April 10, 2018 Urban Renewal Commission Meeting

Motion made by Commissioner McGriff, seconded by Commissioner Cross, to approve the minutes of the March 1, February 1, and January 18, 2023 Urban Renewal Commission Meetings, and the minutes of the April 10, 2018 Urban Renewal Commission Meeting. The motion passed by the following vote:

Yea: 7 – Commissioner McGriff, Commissioner O'Donnell, Commissioner Smith, Commissioner Neeley, Commissioner Marl, Commissioner Cross, Commissioner Mitchell

PUBLIC HEARING

5. Resolution No. UR 23-01, Adopting the Urban Renewal Budget, Making Appropriations and Declaring Tax Increment for the 2023-2025 Biennium

Tony Konkol, City Manager, presented the proposed biennial Urban Renewal budget. The budget, as approved on May 25, 2023, was in the amount of \$15,927,600.00, and involved requesting the maximum amount of revenue that may be raised by dividing the taxes under section 1c, Article IX of the Oregon Constitution and Oregon Revised Statute Chapter 457. The budget was to be used for funding future projects under the direction of the Urban Renewal Commission (URC) and included payment for cost to administer the agency, rental expenses, and a \$64,000.00 operating contingency fund. Mr. Konkol added that, upon approval, the budget would be filed with the Department of Revenue, the Clackamas County Clerk, and the Clackamas County Assessor.

Jesse Buss, on behalf of John Williams and Joan Williams, observed that Ballot Measure 3-597, requesting permission for the URC to borrow up to \$44 million, had failed in the May election. In light of this, he questioned the commission's willingness to move forward with the proposed budget and recommended that instead they work with funds already available. He also suggested that the proposed budget would violate ORS 457.450(2). On behalf of Mr. and Ms. Williams, Mr. Buss reported that if zero dollars were diverted for Urban Renewal, they would not use that as a legal hook to attempt to shut down the Urban Renewal District, but that if the current budget were to go forward, the Williamses likely would enter litigation against it. Finally, Mr. Buss suggested that at least one Budget Committee meeting had not been given adequate public notice.

Laurie Ariniello, resident of Oregon City, asked that it be recognized that some members of the Urban Renewal Budget Committee had dissented from the majority vote to fully fund the Urban Renewal District. She requested that the voice of the people as expressed in the recent ballot measure be respected and asked for a balanced approach in considering the biennial budget.

James Nicita, resident of Oregon City, requested a recording of the January 18, 2023 Executive Session meeting of the Urban Renewal Commission, saying he thought that meeting contained a Commission vote to challenge Section 59 of the Oregon City Charter. He cited the precedent of a previous occasion when the URC had released records of an Executive Session in 2011.

Mayor McGriff denied that any such vote as Mr. Nicita described had occurred at the January 18, 2023 Executive Session, observing that commissioners are not allowed to vote at Executive Sessions.

Commissioner O'Donnell reiterated that he had not supported the ballot measure as it was presented and suggested that money the URC already had ought to be spent before its purchasing power declines due to inflation. He also suggested the URC's administrative and legal expenditures could be redirected to other purposes.

Mayor McGriff brought up a previous suggestion to bifurcate the biennial budget, collecting no new funds this year, and reconsidering collecting new funds next year. She also expressed support for prioritizing the Quiet Zone project.

Commissioner Neeley asked for confirmation that it would be possible in the biennial budget to set collections at zero for the first year and the full amount for the second year. Matt Zook, Finance Director, confirmed that this was possible.

Commissioner Marl expressed his support for the bifurcated budget, in the interests of compromise.

Commissioner Cross expressed his disinclination to bifurcate the budget, saying that without the ability to collect tax increment financing (TIF) or sell bonds, the URC would not be able to complete as many projects, and that it would take longer to complete projects. He suggested that postponing projects would make them more expensive in the long run.

Commissioner O'Donnell expressed support for offering a ballot measure with a proof of concept for a smaller project that could be funded with monies the URC already possesses.

There was discussion regarding how to respond to and minimize potential litigation.

Commissioner McGriff proposed reducing the biennial budget by 25 percent and discussed the benefits of working incrementally on URC projects.

Commissioner Neeley asked if the \$9 million the URC currently has would cover the Quiet Zone project. Mr. Konkol explained that there was ongoing negotiation with the Oregon Department of Transportation (ODOT) regarding how much they would contribute to the project, but that the \$9 million available would still be sufficient for implementation of the project.

Commissioner Mitchell expressed support for the Urban Renewal Budget Committee's existing recommendation, firstly because the decision would not affect residents' total taxes, and also because if more money than necessary was collected under the budget, it could be returned to the taxing districts.

Motion made by Commissioner O'Donnell, seconded by Commissioner Smith, to suspend collection of Urban Renewal monies for the biennium. The motion failed by the following vote:

Yea: 2 – Commissioner O'Donnell, Commissioner Smith

Nay: 5 – Commissioner McGriff, Commissioner Neeley, Commissioner Marl, Commissioner Cross, Commissioner Mitchell

There was discussion about how to articulate a motion to collect 25% of the proposed budget in the second year of the biennium. Mr. Zook explained that for the purposes of levying a tax, a specific dollar amount would need to be voted upon. There was consensus that if a motion passed to collect a percentage of the proposed budget, City Staff would then calculate the corresponding dollar amount so that the Commission could vote on an updated budget.

Commissioner Marl stated that he did support collecting the full amount of the proposed budget, but that he was willing to compromise and consider collecting a smaller percentage as a gesture of trust toward the voters who had rejected the recent ballot measure.

Motion made by Commissioner O'Donnell, seconded by Commissioner McGriff, to suspend collection of Urban Renewal monies for first year of the biennium, and collect up to 25% of the proposed Urban Renewal Budget total in the second year. The motion passed by the following vote:

Yea: 5 – Commissioner McGriff, Commissioner O'Donnell, Commissioner Neeley, Commissioner Marl, Commissioner Mitchell

Nay: 2 – Commissioner Smith, Commissioner Cross

There was discussion regarding Mr. Nicita's request for records of the January 18, 2023 Executive Session. Commissioner McGriff requested records of the meeting in question in order to consider Mr. Nicita's request. Commissioner Neeley asked if commissioners who were not in attendance at the meeting in question would have permission to see the records, and it was confirmed that all current commissioners had the authority to do so.

Motion made by Commissioner McGriff, seconded by Commissioner Neeley, to table discussion of Mr. Nicita's request for records of the January 18, 2023 Executive Session of the Urban Renewal Commission until such time as the Commissioners had the ability to review the minutes of the meeting in question. The motion passed by the following vote:

Yea: 7 – Commissioner McGriff, Commissioner O'Donnell, Commissioner Smith, Commissioner Neeley, Commissioner Marl, Commissioner Cross, Commissioner Mitchell

The commission took a break from 6:46 PM to 6:56 PM.

Chair Mitchell closed the public hearing.

Motion made by Commissioner McGriff, seconded by Commissioner Smith, to table approval of the Biennial budget for the present meeting, in order that City staff might calculate accurate numbers for a new budget reflecting reduced collections in the revenue line and an identical reduction in the capital outlay line.

Yea: 7 – Commissioner McGriff, Commissioner O'Donnell, Commissioner Smith, Commissioner Neeley, Commissioner Marl, Commissioner Cross, Commissioner Mitchell

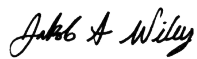
COMMUNICATIONS

There were no further communications.

ADJOURNMENT

Chair Mitchell adjourned the meeting at 6:58 PM.

Respectfully submitted,



Jakob S. Wiley, City Recorder