CITY OF OREGON CITY
URBAN RENEWAL COMMISSION
MINUTES

Commission Chambers, Libke Public Safety Facility, 1234 Linn Ave, Oregon City
Wednesday, February 01, 2023 at 6:00 PM

CALL TO ORDER

Chair Mike Mitchell called the meeting to order at 6:01 PM.

ROLL CALL

PRESENT: 7 - Commissioner Doug Neeley, Commissioner Frank O'Donnell, Commissioner Rocky Smith, Commissioner Denyse McGriff, Commissioner Adam Marl, Commissioner Shawn Cross, Commissioner 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, Public Works Director John Lewis, Parks and Recreation Director Kendall Reid, Communications Manager Jarrod Lyman, Assistant City Recorder Angelique Nomie, IT Director Mike Dobaj

CITIZEN COMMENTS

Paul Edgar, resident of Oregon City, encouraged the Urban Renewal Commission (URC) to consider proactively addressing the homelessness crisis by dedicating Urban Renewal property to the creation of shelters and services for the unhoused population. He discussed the success of the Veterans' Village of the Veterans Advisory Council of Clackamas County, and said that creating long-term solutions including shelter and counseling would save lives.

DISCUSSION ITEM

1. Urban Renewal Agency Ballot Measure and Explanatory Statement to Approve Borrowing of Funds to Implement Urban Renewal Projects

Tony Konkol, City Manager, presented the latest version of the proposed ballot measure to authorize the borrowing of up to $44 million to implement projects that have been identified in the Urban Renewal Plan. William K. Kabeiseman, City Attorney, presented issues raised regarding the ballot measure in a letter from Jesse Buss, representing John and Joan Williams. This letter included a request to replace a reference to "borrowing" with the term "bonded indebtedness," citing greater accuracy. Mr. Kabeiseman suggested that the term "borrowing" was more accessible to voters. Commissioner O'Donnell suggested that changing the terms might preclude potential future litigation, but that, on the other hand, the term "bonded indebtedness" could restrict the types of borrowing available to the URC.

Next, Mr. Kabeiseman presented a second item discussed in the Williamses' letter: they took issue with the lack of reference to interest charges involved with the URC's borrowing. Mr. Kabeiseman suggested that since interest charges are standard with any type of borrowing, it was not necessary to specifically mention them in the ballot measure. Finally, he discussed issues the Williamses raised with the ballot measure summary. They objected to the fact that the summary's first sentence described not what the measure would do, but what it would not do – i.e., it would not create new taxes. Mr. Kabeiseman suggested that this statement was important for voters in the context of how this type of ballot measure is generally understood. He also observed that a previous ballot measure, regarding water, had successfully *passed while using similar language.*

Mr. and Mrs. Williams also criticized the second paragraph of the measure, suggesting that it was improper advocacy of URC plan items. They also suggested that the measure allows for pre-approval of refinancing at time of initial bonded indebtedness, and that this is not allowed for in Section 59 of the City Charter. Mr. Kabeiseman opined that the ballot measure was not engaging in advocacy, but merely quoting the URC Plan. He also stated that allowing for refinancing is necessary for saving money and that, in his opinion, it was not in fact forbidden in Section 59. The Williamses' letter also objected to the lack of details about the terms of the URC's borrowing, and Mr. Kabeiseman explained that because the borrowing, if approved, would not occur until months in the future, there was no way to offer details about the borrowing terms at this time.

Next, Mr. Kabeiseman discussed objections to the explanatory statement brought up in the Williamses' letter, which included repetitions of the items objected to above. Mr. Kabeiseman suggested that the URC might take the Williamses' advice regarding changing wording to reference "bonded indebtedness" in this section to align better with language in the City Charter. Finally, the Williamses objected to language in the ballot measure saying that the $44 million would be repaid by tax revenues collected within the Plan area; they considered this language misleading. Mr. Kabeiseman said that the language was accurate.

Commissioner McGriff asked if the URC would be offering a response to the Williamses' letter. Mr. Kabeiseman said that, in light of the deadline for submitting the proposed ballot measure (February 24, 2023), there would be limited time to adjust its language, so it might be preferable to move forward with the ballot measure as-is unless the Commissioners felt that the Williamses' letter raised significant issues. Jakob Wiley, City Recorder, clarified that February 24, 2023 is the deadline for the Ballot Measure's final language, but the deadline to submit it to the County is March 16, 2023.

Commissioner Cross advised the Commission to approve the Ballot Measure without changes. Commissioner O'Donnell expressed mixed feelings about changing the Ballot Measure, expressing the benefit of avoiding litigation. Commissioner McGriff suggested that the URC approve the Measure at the present meeting but allow for the City Manager and City Attorney to make future clarifications in the text. Commissioners Neeley and Marl opined that altering the Measure's language would not preclude litigation. Commissioner Marl supported approving the Measure at the present meeting, adding that the Measure's current statement about not adding new taxes was consistent with language in other measures from his legislative fiscal office experience.

Motion made by Commissioner McGriff, seconded by Commissioner Cross, to approve the Urban Renewal Agency Ballot Measure and Explanatory Statement to Approve Borrowing of Funds to Implement Urban Renewal Projects Submitted in Resolution 23-03. The motion passed by the following vote:

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

Abstain: 2 – Commissioner Smith, Commissioner O'Donnell

2. Professional Service Contract with Piper Sandler & Co. Relating to the Pursuit of Borrowing Funds for Urban Renewal Projects

Mr. Konkol presented a Professional Service Contract to hire Piper, Sandler & Co. as Financial Consultant for assistance in obtaining borrowed funds for Urban Renewal Projects. Commissioner Mitchell clarified that this decision would have no financial impact until a bond is issued. Commissioner McGriff asked if it would be accurate to describe the proposed role of Piper, Sandler and Co. as "underwriters," and Mr. Konkol clarified that was correct. Matt Zook, Finance Director, added that the firm would function both as underwriter and placement agent, meaning they would be able to negotiate with banks as well as with the open bar market.

Motion made by Commissioner Cross, seconded by Commissioner Neeley, to approve the Professional Service Contract with Piper Sandler & Co. Relating to the Pursuit of Borrowing Funds for Urban Renewal Projects. The motion passed by the following vote:

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

3. Urban Renewal Commission Discussion of Urban Renewal Agency Owned Properties and Considering Potential Projects

Mr. Konkol invited discussion about what processes the URC would like to adopt when considering projects and developments on Urban Renewal properties. He reviewed the proposal evaluation process as outlined in the 11th Amendment of the Urban Renewal Plan, and invited suggestions for adding more details to this process. Commissioner O'Donnell suggested that the URC should consider allowing unsolicited proposals from developers. Commissioner Mitchell agreed with Commissioner O'Donnell, adding that it made sense to consider unsolicited proposals now that a URC Plan is in place. Commissioner McGriff expressed reluctance to allow unsolicited proposals, suggesting that the URC needs to provide clear guidance for proposals. Commissioner Marl said that, because proposals would be coming to Economic Development Manager James Graham and his team, there was already a filter in place for unsolicited proposals. There was consensus that Staff were in a strong position to evaluate proposals.

Mr. Konkol asked the Commission to discuss whether they would prefer Staff to issue specific, formal guidelines for proposals, rather than waiting for developers to initiate proposals. He also asked if the URC would like to pursue projects immediately, or wait until the election in May, when the results of the URC Bond measure would be known. Commissioner Cross suggested that the URC was not prepared for formal FRP processes but suggested that it could be useful to hear unsolicited proposals. Commissioner Neeley advised encouraging proposals for downtown development.

Motion made by Commissioner O'Donnell, seconded by Commissioner McGriff, to allow City Staff to entertain and review unsolicited project proposals for City-owned and Urban Renewal properties, and to present approved proposals to the Urban Renewal Commission. The motion passed by the following vote:

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

COMMUNICATIONS

There were no additional communications.

ADJOURNMENT

Chair Mike Mitchell adjourned the meeting at 6:58 PM.

Respectfully submitted,

Jakob S. Wiley

Jakob S. Wiley, City Recorder