



CITY OF OREGON CITY CITY COMMISSION REGULAR MEETING - REVISED AGENDA

Commission Chambers, Libke Public Safety Facility, 1234 Linn Ave, Oregon City
Wednesday, December 18, 2024 at 7:00 PM

Ways to participate in this public meeting:

- Attend in person, location listed above. Please see the public comment guidelines below.
- Attend the livestream of the meeting on the City's YouTube Channel: <https://www.youtube.com/user/CityofOregonCity>
- Register to provide electronic testimony (email recorderteam@orc.org or call 503-496-1509 by 3:00 PM on the day of the meeting to register)
- Email recorderteam@orc.org (deadline to submit written public comment via email is 3:00 PM on the day of the meeting)
- Mail to City of Oregon City, Attn: City Recorder, P.O. Box 3040, Oregon City, OR 97045

REGULAR MEETING OF THE CITY COMMISSION

1. CONVENE MEETING AND ROLL CALL

2. FLAG SALUTE

3. CEREMONIES AND PROCLAMATIONS

- Commissioner O'Donnell Service Recognition
- Oregon City's 180th Anniversary Proclamation

4. PUBLIC COMMENTS

Please see the public comment guidelines below.

5. PRESENTATIONS

6. ADOPTION OF THE AGENDA

7. CONSENT AGENDA

- Resolution 24-30, Certifying the November 5, 2024 General Election Results and Delivery of the Certificates of Election
- Intergovernmental Agreement with Oregon Department of Transportation for Right of Way Services Related to the Downtown Quiet Zone Project
- Construction Contract with Brandsen Hardwood Floors, Inc. for the Oregon City Library Wood Flooring Replacement Project
- Confederated Tribes of the Grand Ronde tumwata village complete streets RAISE grant letter of support
- Minutes of the August 07, 2024 City Commission Meeting

8. PUBLIC HEARINGS

- Second Reading of Ordinance No. 24-1008, Erosion and Sediment Control Code Amendment - OCMC 17.47 (GLUA-24-00026, ZC-24-0002, LEG-24-00003)
- First Reading of Ordinance No. 24-1010, Park Place Concept Plan Code Amendments (LEG-24-01)

9. GENERAL BUSINESS

- Legal Documents Creating the Destination Management/Marketing Organization (DMMO)
- Destination Management/Marketing Organization ("DMMO") Structure/Role

- c. First Reading of Ordinance No. 25-1001, Adding Municipal Code Chapter 09.32 - Fireworks
- d. Discussion Related to the Expansion of the Commercial Boat Tie-Up at Jon Storm Park
- e. Discussion of the City Manager's Salary Adjustment and Merit Pay for Performance
- f. Second Reading of Ordinance No. 24-1016, Codifying the Ban on Psilocybin Businesses

10. COMMUNICATIONS

City Manager

- a. Annual Comprehensive Financial Report for the Fiscal Year ending June 30, 2024

Commissioners

Mayor

11. ADJOURNMENT

ORDINANCE NOTICE

If an ordinance is noticed above in this agenda, the text of the ordinance is available online with the posted agenda packet. In addition, three copies are provided for public review in the Office of the City Recorder upon request.

PUBLIC COMMENT GUIDELINES

Complete a Comment Card prior to the meeting and submit it to the City Recorder. When the Mayor/Chair calls your name, proceed to the speaker's table, and state your name and city of residence. Each speaker is given 3 minutes to speak. Representatives of neighborhood associations may be given 5 minutes to speak if requested. As a general practice, the City Commission does not engage in discussion with those making comments. Complaints shall first be addressed at the department level prior to addressing the City Commission. Electronic presentations are permitted but must be delivered to the City Recorder 48 hours in advance of the meeting.

ADA NOTICE

The location is ADA accessible. Hearing devices may be requested from the City Recorder prior to the meeting. Individuals requiring other assistance must make their request known 48 hours preceding the meeting by contacting the City Recorder's Office at 503-657-0891.

Agenda Posted at City Hall, Pioneer Community Center, Library, City Website.

Video Streaming & Broadcasts: The meeting is streamed live on the [Oregon City's website](#) and available on demand following the meeting. The meeting can be viewed on Willamette Falls Television channel 28 for Oregon City area residents as a rebroadcast. Please contact WPMC at 503-650-0275 for a programming schedule.

City of Oregon City



Know Ye By Proclamation,

Whereas, on June 26, 1844, a petition was presented to the Provisional Government for the issuance of an Act to incorporate Oregon City; and

Whereas, the Bill to incorporate Oregon City was read for the third and final time then passed on December 24, 1844; and

Whereas, the City of Oregon City was, on that date, the first city incorporated in the American West, that vast area beyond the Missouri River; and

Whereas, the Provisional Legislature gave Oregon City its first charter and proclaimed it to be the capitol of the Oregon Country; and

Whereas, a day is hereby set forth commemorating this important event.

Now, Therefore, We, the Mayor and City Commission of the City of Oregon City, do hereby proclaim Tuesday, December 24, 2024, as:

180TH ANNIVERSARY OF THE INCORPORATION OF OREGON CITY

And, urge all citizens of the City and the State, on this Christmas Eve, to honor this great heritage, and go forward in harmony, peace and prosperity and continue to be good stewards of this beautiful land.

In Witness Whereof, I have hereunto set my hand and caused the great seal of the City of Oregon City to be affixed this 18th day of December 2024.

DENYSE C. MCGRUFF, Mayor



CITY OF OREGON CITY

625 Center Street
Oregon City, OR 97045
503-657-0891

Staff Report

To: City Commission **Agenda Date:** December 18, 2024
From: Jakob Wiley, City Recorder

SUBJECT:

Item 7.a. - Resolution 24-30, Certifying the November 5, 2024 General Election Results and Delivery of the Certificates of Election

STAFF RECOMMENDATION:

Staff recommends the City Commission approve Resolution No. 24-30, Certifying the Election Results for the November 5, 2024 General Election.

EXECUTIVE SUMMARY:

There was a General Election held on November 5, 2024. The certified results were received from Clackamas County – Elections Division on Wednesday, November 27, 2024. The Commission is now asked to certify those results and make them a part of their proceedings through this resolution.

BACKGROUND:

On November 5, 2024, Oregon City voters cast votes for two City Commissioner positions and Ballot Measure 3-611. The Oregon City Charter of 1982, Chapter 6, Elections, Section 27, Canvass of Returns, states in part the following: "...The results of all elections shall be entered into the record of the proceedings of the Commission. The entry shall state the total number of votes cast at the election, the votes cast for each person and for and against each proposition..." The official election results provided by Clackamas County are on file in the Office of the City Recorder. The Canvass shows the following outcome of votes for the ballot measures.

City Commissioner

Scott Wilson	5,426
Rae Gordon	3,845
Mike Mitchell	7,737
Betty Mumm	3,494
Bob La Salle	4,662

Ballot Measure 3-611

YES	10,370
NO	8,631

OPTIONS:

1. Approve Resolution 24-30, Certifying the November 5, 2024 General Election Results and Delivery of the Certificates of Election.
2. Approve Resolution 24-30, Certifying the November 5, 2024 General Election Results and Delivery of the Certificates of Election with Amendments.
3. Deny Resolution 24-30, Certifying the November 5, 2024 General Election Results and Delivery of the Certificates of Election and provide further direction.

BUDGET IMPACT:

N/A

RESOLUTION NO. 24-30

A RESOLUTION CERTIFYING THE RESULTS OF THE NOVEMBER 5, 2024 GENERAL ELECTION FOR THE CITY OF OREGON CITY

WHEREAS, Chapter VI, Section 27 of the Oregon City Charter requires election results to be made a matter of record in the proceedings of the City Commission; and

WHEREAS, the election results from the November 5, 2024 General Election have been certified by the Office of the Clackamas County Clerk Elections Division.

NOW, THEREFORE, OREGON CITY RESOLVES AS FOLLOWS:

Section 1. The certified election results attached incorporated herein as Exhibit A and are made a part of the record of proceedings of the City Commission.

Section 2. This resolution is effective immediately upon adoption by the City Commission.

Approved and adopted at a regular meeting of the City Commission held on the 4th day of December 2024.

DENYSE C. MCGRUFF,
Mayor

Attested to this 4th day of December 2024:

Approved as to legal sufficiency:

Jakob S. Wiley, City Recorder

City Attorney

Attachment:
Exhibit A – November 5, 2024 General Election Results

Canvass Results Report

Official Ballots

Run Time

3:18 PM

Run Date

12/02/2024

Clackamas County

November 5, 2024 General Election

11/5/2024

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Official Results

Registered Voters

248910 of 319822 = 77.83%

Precincts Reporting

119 of 119 = 100.00%

Measure 3-611: City of Oregon City - Referred to the People by the City Council

Precinct	YES	NO	Cast Votes	Undervotes	Overvotes	Miscellaneous Write-In	Vote by Mail Ballots Cast	Total Ballots Cast	Registered Voters	Turnout Percentage
600	2,107	2,463	4,570	397	1	0	4,968	4,968	6,797	73.09%
602	2,029	1,620	3,649	276	0	0	3,925	3,925	4,842	81.06%
604	3,776	2,335	6,111	527	1	0	6,639	6,639	8,322	79.78%
606	983	1,122	2,105	202	0	0	2,307	2,307	3,525	65.45%
608	1,475	1,091	2,566	299	0	0	2,865	2,865	3,844	74.53%
Totals	10,370	8,631	19,001	1,701	2	0	20,704	20,704	27,330	75.76%

CERTIFIED COPY OF THE ORIGINAL
CATHERINE MCMULLEN, COUNTY CLERK

BY: 



Canvass Results Report

Official Ballots

Run Time 3:18 PM
Run Date 12/02/2024**Clackamas County**

November 5, 2024 General Election

11/5/2024

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Official Results**Registered Voters**

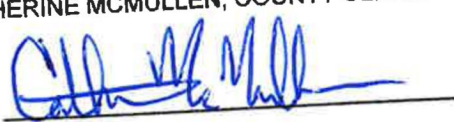
248910 of 319822 = 77.83%

Precincts Reporting

119 of 119 = 100.00%

City of Oregon City, Commissioner - Vote for two

Precinct	Scott Wilson	Rae Gordon	Mike Mitchell	Betty Mumm	Bob La Salle	Cast Votes	Undervotes	Overvotes	Miscellaneous Write-In	Vote by Mail Ballots Cast	Total Ballots Cast	Registered Voters	Turnout Percentage
600	1,397	1,027	1,735	746	1,115	6,020	3,866	0	50	4,968	4,968	6,797	73.09%
602	1,031	739	1,545	667	908	4,890	2,928	0	32	3,925	3,925	4,842	81.06%
604	1,631	1,173	2,666	1,204	1,515	8,189	5,021	0	68	6,639	6,639	8,322	79.78%
606	615	463	733	435	478	2,724	1,865	0	25	2,307	2,307	3,525	65.45%
608	752	443	1,058	442	646	3,341	2,372	0	17	2,865	2,865	3,844	74.53%
Totals	5,426	3,845	7,737	3,494	4,662	25,164	16,052	0	192	20,704	20,704	27,330	75.76%

CERTIFIED COPY OF THE ORIGINAL
CATHERINE MCMULLEN, COUNTY CLERKBY: 

STATE OF OREGON
COUNTY OF CLACKAMAS



CERTIFICATE OF ELECTION



*I, Jakob S. Wiley, City Recorder of the City of Oregon City, do and hereby certify that at the General Election held in said City on the fifth of November A.D. 2024, **SCOTT WILSON** was duly elected to the office of **CITY COMMISSIONER** in and for said City, as appears on the official canvass of returns of said Clackamas County, now on file and of record in this office, and that he is the duly elected*

CITY COMMISSIONER FOR OREGON CITY.

In witness whereof, I have hereunto set my hand and official seal this eighteenth day of December A.D. 2024



Jakob S. Wiley
JAKOB S. WILEY, CITY RECORDER

STATE OF OREGON
COUNTY OF CLACKAMAS



CERTIFICATE OF ELECTION



I, Jakob S. Wiley, City Recorder of the City of Oregon City, do and hereby certify that at the General Election held in said City on the fifth of November A.D. 2024, MICHAEL MITCHELL was duly elected to the office of CITY COMMISSIONER in and for said City, as appears on the official canvass of returns of said Clackamas County, now on file and of record in this office, and that he is the duly elected

CITY COMMISSIONER FOR OREGON CITY.

In witness whereof, I have hereunto set my hand and official seal this eighteenth day of December A.D. 2024



Jakob S. Wiley
JAKOB S. WILEY, CITY RECORDER



CITY OF OREGON CITY

625 Center Street
Oregon City, OR 97045
503-657-0891

Staff Report

To: City Commission **Agenda Date:** December 18, 2024
From: Dayna Webb, Public Works Director

SUBJECT:

Item 7.b. - Intergovernmental Agreement with Oregon Department of Transportation for Right of Way Services Related to the Downtown Quiet Zone Project

STAFF RECOMMENDATION:

Authorize the City Manager to execute an Intergovernmental Agreement (IGA) with the Oregon Department of Transportation (ODOT) for right of way services related to the Downtown Quiet Zone Project (CI 22-015).

EXECUTIVE SUMMARY:

Oregon City was awarded the United States Department of Transportation (USDOT) Earmark 2022 for safety improvements. These federal funds will provide safety improvements and establish a quiet zone at the 10th & 11th Street railroad crossings. In December 2023 City Commission approved an agreement to authorize ODOT to deliver the federally funded project on behalf of the City. This Intergovernmental Agreement addresses right-of-way services for the project.

BACKGROUND:

The Downtown Quiet Zone Project, which was identified as a City Commission goal back in 2019, will complete crossing safety improvements and designate a quiet zone. The project includes:

- Vehicle and pedestrian safety improvements at the 10th Street/Singer Hill crossing; and
- Pedestrian safety improvements at the 11th Street pedestrian crossing.

A "Quiet Zone" is a dedicated area where railroads are directed to cease the routine sounding of train horns when approaching public rail line crossings, though horns may still be used in emergency situations. At-grade crossings, within quiet zones, will still be required to be equipped with standard flashing signals, gates and audible bells.

Currently, under the Code of Federal Railroad Regulations (CFR) Train Horn Rule, locomotive engineers must sound a train's horn in advance of all public grade crossings. The sounding of the horn is required to be at least 15 seconds, and no more than 20 seconds, in advance of all public grade crossings. The horn must be sounded in a standardized pattern of 2 long, 1 short, and 1 long blasts. This Train Horn Rule provides an opportunity for cities to mitigate the effects of train horn noise by establishing quiet zones.

Quiet zones are established by the local governments who are required to mitigate the increased risk caused by the absence of train horns. Local governments must work in cooperation with the railroad (who own the track) and the appropriate state and federal transportation authorities to assemble a diagnostic team. This team works to assess the risk of collision at each grade crossing, where proposed sites will cease train horn use.

The attached IGA for right of way services for the Downtown Quiet Zone Project, allows ODOT to acquire the necessary property to construct the project. Oregon state law (ORS 35.235) mandates that parties authorized by law to acquire property through condemnation first adopt a resolution stating the necessity and the purpose for which the property is required. As the project design continues forward and impacted properties are identified, staff will return to City Commission and present a resolution authorizing the use of eminent domain, if necessary.

Miscellaneous Contracts & Agreement No. 73000-00019244, which is referenced in this agreement, was approved by the City Commission in December 2023. The agreement goes over the general information about the Downtown Quiet Zone project, including responsibility for construction, maintenance, operation, mitigation measures, and cost of the public approach.

Expenses related to the right of way services for this project are included in the project costs and our match for the project has already been deposited with ODOT.

OPTIONS:

1. Approve Intergovernmental Agreement with Oregon Department of Transportation for Right of Way Services Related to the Downtown Quiet Zone Project.
2. Approve Intergovernmental Agreement with Oregon Department of Transportation for Right of Way Services Related to the Downtown Quiet Zone Project with Amendments.
3. Deny Intergovernmental Agreement with Oregon Department of Transportation for Right of Way Services Related to the Downtown Quiet Zone Project and provide further direction.

BUDGET IMPACT:

Amount	N/A
Fiscal Year(s):	N/A
Funding Source(s):	N/A

**INTERGOVERNMENTAL AGREEMENT
FOR RIGHT OF WAY SERVICES**
Oregon City Quiet Zone

THIS AGREEMENT is made and entered into by and between the STATE OF OREGON, acting by and through its Department of Transportation, hereinafter referred to as "State" or "ODOT"; and the CITY OF OREGON CITY, acting by and through its elected officials, hereinafter referred to as "Agency," both herein referred to individually as "Party" and collectively as "Parties."

RECITALS

1. By the authority granted in Oregon Revised Statute (ORS) 190.110, 283.110, 366.572 and 366.576, a state agency may enter into agreements with units of local government or other state agencies for the performance of any or all functions and activities that the state agency, its officers, or agents have the authority to perform.
2. By the authority granted in ORS 366.425, State may accept deposits of money or an irrevocable letter of credit from any county, city, road district, person, firm, or corporation for the performance of work on any public highway within the State. Money so deposited shall be disbursed for the purpose for which it was deposited.
3. The 10th and 11th Street railroad crossing are a part of the city street system under the jurisdiction and control of Agency.
4. State is responsible for delivering the Oregon City Quiet Zone project ("Project") under Misc. Contracts and Agreements No.73000-00019224 executed on 12/15/2023 ("Project Agreement") attached hereto as Exhibit C and by this reference made a part hereof.
5. This Agreement covers a subset of the work set forth in the Project Agreement; therefore, the Project Agreement describes the general scope and funding for the right of way activities carried out under this Agreement. This Agreement further defines the roles and responsibilities of the Parties regarding real property to be used as part of the right of way for the Project, and further refines the details of the scope and funding for these right of way activities.
6. As of the Effective Date of this Agreement, there are no local public agencies ("LPAs") certified to independently administer federal-aid projects for right of way services. State is ultimately responsible for the certification and oversight of all right of way activities under this Agreement.

NOW THEREFORE, the premises being in general as stated in the foregoing Recitals, it is agreed by and between the Parties hereto as follows:

TERMS OF AGREEMENT

1. Under such authority, to accomplish the objectives in the Project Agreement, State agrees to perform the right of way Services shown in Exhibit A - Special Provisions ("Services"), attached hereto and by this reference made a part hereof.
2. The Parties agree to comply with the terms of this Agreement and the applicable terms of Project Agreement in performing the Services. In the event of a direct conflict, the terms of the Project Agreement will control over any conflicting provision in this Agreement.
3. Exhibits Attached and Incorporated.
 - a. This Agreement includes the following exhibits, each of which is attached and incorporated into this Agreement by reference as though fully set forth herein:
 - Exhibit A – Special Provisions
 - Exhibit B – Resolution Exercising The Power of Eminent Domain
 - Exhibit C - Project Agreement
4. This Agreement becomes effective on the date all required signatures are obtained ("Effective Date"). Services shall begin on or after the Effective Date and shall be completed no later than ten (10) calendar years following the date all required signatures are obtained, on which date this Agreement automatically expires unless extended by a fully executed amendment.
5. Both Parties will strictly follow the rules, policies and procedures of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended and implemented through Title 49, Part 24, ORS Chapter 35 and the ODOT Right of Way Manual, located at <https://www.oregon.gov/ODOT/ROW/Documents/ROW-Manual.pdf> and incorporated herein by this reference. Each Party will require its contractors and subcontractors, if any, to comply with this provision.
6. The funding and payment for the Services are set forth in the Project Agreement. This Agreement commits no additional funding for the Services.
 - a. Under no condition shall Agency's obligations under this Agreement exceed \$100,000, including all expenses, unless agreed upon by both Parties in writing in a fully executed amendment to this Agreement. This maximum is the amount programmed in the STIP for the right of way phase of the Project. Expenditures must be charged according to the appropriate Project phase as identified in Exhibit A.
 - i. Agency agrees to reimburse State for all expenses, including salaries and other personnel expenses (OPE) of State employees performing Services, direct costs, costs of rental equipment used, travel expenses, and per-diem expenditures. Travel expenses shall be reimbursed in accordance with the current Oregon Department of

Administrative Services rates as contained in the Oregon Accounting Manual (OAM), which can be found at:

<https://www.oregon.gov/das/Financial/Acctng/Documents/40.10.00.pdf>.

- ii. For Services provided under this Agreement, Agency may satisfy its funding requirement through a contribution of real property for the Project. Credit for this contribution will only be allowed if the contribution complies with all requirements of 23 CFR 710.501 and 710.507 and if written approval is obtained from State's Active Transportation Section, Program and Funding Services Manager and FHWA prior to the start of the right of way phase of the Project and after review for compliance with State's procedures for donations and contributions.

STATE OBLIGATIONS

1. State shall perform the Services assigned to State in Exhibit A.
2. State's right of way contact person for this Agreement is John Guerrero-Lopez, Right of Way Project Manager, 123 NW Flanders St. Portland, OR 97209, 971-264-8631, John.A.Guerrero-Lopez@odot.oregon.gov, or assigned designee upon individual's absence. State shall notify the other Party in writing of any contact changes during the term of this Agreement.

AGENCY OBLIGATIONS

1. Agency shall perform the Services assigned to Agency in Exhibit A. All Services provided by Agency shall comply with ODOT's Right of Way Manual in effect at the time the Services are performed.
2. Agency certifies, at the time this Agreement is executed, that sufficient funds are available and authorized for expenditure to finance costs of this Agreement within Agency's current appropriation or limitation of current budget. Agency is willing and able to finance its share of all costs and expenses incurred under this Agreement up to the maximum amount set forth in Terms of Agreement Paragraph 3.
3. Agency's performance of Services.
 - a. In performing Services under this Agreement, Agency may utilize qualified individuals from Agency's staff or the Staff of another local public agency, as described in the ODOT Right of Way Manual and approved by the State's Region Right of Way Office. Agency may also request State staff perform Services under this Agreement, as further described in Exhibit A.
 - b. Agency may also request State act as the lead contracting agency and deliver a consultant contract on behalf of Agency, using consultants from State's Full Service Architectural and Engineering (A&E) Price Agreement 2 Tier Selection Process, as

applicable. Tier 2 procurements must be requisitioned through State's Local Agency Liaison (LAL) with solicitation process administered by State's Procurement Office. Forms and procedures for Tier 2 process are located at: https://www.oregon.gov/odot/Business/Procurement/FS23/Full_Service_LPA_Project_User_Guide.docx.

- c. Agency's needed right of way services may be performed by utilizing appraiser Services procured by Agency from State's Qualified Appraiser List (online at: https://www.oregon.gov/ODOT/ROW/Documents/Appraisal_Qualified-Consultant-List.pdf) or other right of way related Services procured by Agency from any source of qualified contractors or consultants.
 - d. Contractor selections under Agency Obligations, Paragraphs 3.c above may be based on price alone, price and qualifications, or qualifications alone followed by negotiation. **Federally funded procurements** carried out by Agency for right of way Services must be conducted under State's certification program for consultant selection and must comply with requirements in the [LPA A&E Requirements Guide](#), and must use the State's standard [A&E Contract Template for LPAs](#) which may be modified to include State-approved provisions required by Agency. **State and locally funded procurements** carried out by Agency must comply with applicable State rules and statutes for A&E "Related Services" (Agency may use its own contract document). The LPA A&E Requirements Guide and A&E Contract Template are available at: <https://www.oregon.gov/ODOT/Business/Procurement/Pages/LPA.aspx>.
- 4. If Agency intends to use Agency staff, staff of another local public agency, consultants (except for consultants on State's Qualified Appraiser List), or contractors to perform Services under this Agreement, Agency must receive prior written approval from State's Region Right of Way Office.
 - 5. Agency shall require its contractor(s) and subcontractor(s) that are not units of local government as defined in ORS 190.003, if any, to indemnify, defend, save and hold harmless the State of Oregon, Oregon Transportation Commission and its members, Oregon Department of Transportation and its officers, employees and agents from and against any and all claims, actions, liabilities, damages, losses, or expenses, including attorneys' fees, arising from a tort, as now or hereafter defined in ORS 30.260 ("Claims"), to the extent such Claims are caused, or alleged to be caused, by the negligent or willful acts or omissions of Agency's contractor or any of the officers, agents, employees or subcontractors of the contractor. It is the specific intention of the Parties that State shall, in all instances, except to the extent Claims arise solely from the negligent or willful acts or omissions of State, be indemnified from and against all Claims caused or alleged to be caused by the contractor or subcontractor.
 - 6. Any such indemnification shall also provide that neither the Agency's contractor or subcontractor nor any attorney engaged by Agency's contractor or subcontractor shall defend any claim in the name of the State of Oregon or any agency of the State of Oregon, nor purport to act as legal representative of the State of Oregon or any of its agencies, without the prior written consent of the Oregon Attorney General. The State of Oregon may,

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73000-00034327

at any time at its election assume its own defense and settlement in the event that it determines that Agency's contractor is prohibited from defending the State of Oregon, or that Agency's contractor is not adequately defending the State of Oregon's interests, or that an important governmental principle is at issue or that it is in the best interests of the State of Oregon to do so. The State of Oregon reserves all rights to pursue claims it may have against Agency's contractor if the State of Oregon elects to assume its own defense.

7. Agency shall perform all Services under this Agreement as an independent contractor and shall be exclusively responsible for all costs and expenses related to its employment of individuals to perform the Services under this Agreement including, but not limited to, retirement contributions, workers compensation, unemployment taxes, and state and federal income tax withholdings.
8. When Agency is performing Services under this Agreement, Agency shall ensure that temporary pedestrian routes are provided through or around any Project work zone. Any such temporary pedestrian route shall include directional and informational signs, comply with ODOT standards, and include accessibility features equal to or better than the features present in the existing pedestrian facility. Agency shall also ensure that advance notice of any temporary pedestrian route is provided in accessible format to the public, people with disabilities, and disability organizations at least 10 days prior to the start of construction.
9. Agency certifies and represents that all individuals signing this Agreement have been authorized to enter into and execute this Agreement on behalf of Agency, under the direction or approval of its governing body, commission, board, officers, members or representatives, and to legally bind Agency.
10. Agency acknowledges and agrees that State, the Oregon Secretary of State's Office, the federal government, and their duly authorized representatives shall have access to the books, documents, papers, and records of Agency which are directly pertinent to this Agreement for the purpose of making audit, examination, excerpts, and transcripts for a period of six (6) years after final payment. Copies of applicable records shall be made available upon request. Payment for costs of copies is reimbursable by State.
11. Agency shall comply with all federal, state, and local laws, regulations, executive orders and ordinances applicable to the Services under this Agreement, including, without limitation, the provisions of ORS 279B.220, 279B.225, 279B.230, 279B.235 and 279B.270 incorporated herein by reference and made a part hereof. Without limiting the generality of the foregoing, Agency expressly agrees to comply with (i) Title VI of Civil Rights Act of 1964; (ii) Title V and Section 504 of the Rehabilitation Act of 1973; (iii) the Americans with Disabilities Act of 1990 and ORS 659A.142; (iv) all regulations and administrative rules established pursuant to the foregoing laws; and (v) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations.
12. Agency shall upon State's request provide copies of any required documentation related to the Services as described in Exhibit A.

13. Agency's right of way contact person for this Agreement is Dayna Webb, City Engineer, PO Box 3040 Oregon City, OR 97045, 971-204-4633, dwebb@orc.org, or assigned designee upon individual's absence. Agency shall notify the other Party in writing of any contact information changes during the term of this Agreement.

GENERAL PROVISIONS:

1. Termination.

- a. This Agreement may be terminated by mutual written consent of both Parties.
- b. This Agreement may be terminated by either Party upon thirty (30) days' notice, in writing, and delivered by certified mail or in person, under any of the following conditions:
 - i. If either Party fails to provide Services called for by this Agreement within the time specified herein or any extension thereof.
 - ii. If either Party fails to perform any of the other provisions of this Agreement or so fails to pursue the Services as to endanger performance of this Agreement in accordance with its terms, and after receipt of written notice fails to correct such failures within ten (10) days or such longer period as may be authorized.
- c. State may terminate this Agreement effective upon delivery of written notice to Agency, or at such later date as may be established by State, under any of the following conditions:
 - i. If State fails to receive funding, appropriations, limitations or other expenditure authority sufficient to allow State, in the exercise of its reasonable administrative discretion, to continue to make payments for performance of this Agreement.
 - ii. If Agency fails to provide payment of its share of the cost of the Project.
 - iii. If federal or state laws, regulations or guidelines are modified or interpreted in such a way that either the Services under this Agreement is prohibited or State is prohibited from paying for such Services from the planned funding source.
- d. Any termination of this Agreement shall not prejudice any rights or obligations accrued to the Parties prior to termination.

2. All employers that employ subject workers who perform Services under this Agreement in the State of Oregon shall comply with ORS 656.017 and provide the required workers' compensation coverage unless such employers are exempt under ORS 656.126. Employers Liability insurance with coverage limits of not less than \$500,000 must be included. Both Parties shall ensure that each of its subcontractors complies with these requirements.

3. If any third party makes any claim or brings any action, suit or proceeding alleging a tort as now or hereafter defined in ORS 30.260 ("Third Party Claim") against State or Agency with

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73000-00034327

respect to which the other Party may have liability, the notified Party must promptly notify the other Party in writing of the Third Party Claim and deliver to the other Party a copy of the claim, process, and all legal pleadings with respect to the Third Party Claim. Each Party is entitled to participate in the defense of a Third Party Claim and to defend a Third Party Claim with counsel of its own choosing. Receipt by a Party of the notice and copies required in this paragraph and meaningful opportunity for the Party to participate in the investigation, defense and settlement of the Third Party Claim with counsel of its own choosing are conditions precedent to that Party's liability with respect to the Third Party Claim.

4. With respect to a Third Party Claim for which State is jointly liable with Agency (or would be if joined in the Third Party Claim), State shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by Agency in such proportion as is appropriate to reflect the relative fault of State on the one hand and of Agency on the other hand in connection with the events which resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of State on the one hand and of Agency on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. State's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law, including the Oregon Tort Claims Act, ORS 30.260 to 30.300, if State had sole liability in the proceeding.
5. With respect to a Third Party Claim for which Agency is jointly liable with State (or would be if joined in the Third Party Claim), Agency shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by State in such proportion as is appropriate to reflect the relative fault of Agency on the one hand and of State on the other hand in connection with the events which resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of Agency on the one hand and of State on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. Agency's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law, including the Oregon Tort Claims Act, ORS 30.260 to 30.300, if it had sole liability in the proceeding.
6. The Parties shall attempt in good faith to resolve any dispute arising out of this Agreement. In addition, the Parties may agree to utilize a jointly selected mediator or arbitrator (for non-binding arbitration) to resolve the dispute short of litigation.
7. Agency, as a recipient of federal funds, pursuant to this Agreement with the State, shall assume sole liability for Agency's breach of any federal statutes, rules, program requirements and grant provisions applicable to the federal funds, and shall, upon Agency's breach of any such conditions that requires the State to return funds to the Federal Highway

Administration, hold harmless and indemnify the State for an amount equal to the funds received under this Agreement.

8. Agency and State are the only Parties to this Agreement and are the only Parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or will be construed to give or provide, any benefit or right, whether directly, indirectly, or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Agreement.
9. The Parties hereto agree that if any term or provision of this Agreement is declared by a court of competent jurisdiction to be invalid, unenforceable, illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if the Agreement did not contain the particular term or provision held to be invalid.
10. This Agreement may be executed in several counterparts (facsimile or otherwise) all of which when taken together shall constitute one agreement binding on all Parties, notwithstanding that all Parties are not signatories to the same counterpart. Each copy of this Agreement so executed shall constitute an original.
11. This Agreement and attached exhibits constitute the entire agreement between the Parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. No waiver, consent, modification or change of terms of this Agreement shall bind either Party unless in writing and signed by both Parties and all necessary approvals have been obtained. Such waiver, consent, modification or change, if made, shall be effective only in the specific instance and for the specific purpose given. The failure of State to enforce any provision of this Agreement shall not constitute a waiver by State of that or any other provision.
12. Survival. All rights and obligations of the Parties under this Agreement will cease upon termination or expiration of this Agreement, other than the rights and obligations of the parties that by their nature or express terms survive termination or expiration of this Agreement.

THE PARTIES, by execution of this Agreement, hereby acknowledge that their signing representatives have read this Agreement, understand it, and agree to be bound by its terms and conditions.

Signature Page to Follow

OREGON CITY, by and through its elected officials

By _____
Mayor

Date _____

By _____
City Recorder

Date _____

LEGAL REVIEW APPROVAL (If required in Agency's process)

By _____
Agency's Counsel

Date _____

Agency Contact:

Dayna Webb, City Engineer
PO Box 3040 Oregon City, OR 97045
971-204-4633
dwebb@orcify.org

State Contact:

John Guerrero-Lopez, ROW PM
123 NW Flanders St. Portland, OR 97209
971-264-8631
John.A.Guerrero-Lopez@odot.oregon.gov

STATE OF OREGON, by and through its Department of Transportation

By _____
State Right of Way Manager

Date _____

APPROVAL RECOMMENDED

By _____
Region 1 Right of Way Manager

Date _____

By _____

Date _____

APPROVED

(If Litigation Services related to Condemnation are to be done by State)

By _____
Chief Trial Counsel

Date _____

Exhibit A
SPECIAL PROVISIONS
Right of Way Services

A. Preliminary Phase: State or Agency shall perform the Services outlined in this Section A during the preliminary right of way phase of the Project as identified below. When Services listed under this Section A are performed by Agency, Agency shall charge the Services as preliminary engineering expenditures.

1. State shall prepare preliminary cost estimates.
2. State shall make preliminary contacts with property owners.
3. State shall gather and prepare data for environmental documents.
4. State shall develop access and approach road list.
5. State shall help prepare field location and project data as defined in the Project Agreement.
6. Title. State shall provide preliminary title reports, if State determines they are needed, before negotiations for acquisition commence.
7. Legal Descriptions:
 - a. State shall prepare sufficient horizontal control, recovery and retracement surveys, vesting deeds, maps and other data so that legal descriptions can be written.
 - b. State shall prepare construction plans and cross-section information for the Project.
 - c. State shall write legal descriptions and prepare right of way maps. If the Agency acquires any right of way on a State highway, the property descriptions and right of way maps shall be based upon centerline stationing and shall be prepared in accordance with the current ODOT [Right of Way Engineering Manual](https://www.oregon.gov/ODOT/ETA/Documents_Geometronics/ROW-Eng-Manual.pdf), located at https://www.oregon.gov/ODOT/ETA/Documents_Geometronics/ROW-Eng-Manual.pdf and incorporated herein by reference. The preliminary and final versions of the property descriptions and right of way maps must be reviewed and approved by the State.
 - d. State shall specify the degree of title to be acquired (e.g., fee, easement), which must be determined in accordance with the current ODOT Right of Way Manual.
8. Hazmat:
 - a. State shall conduct a Level 1 Initial Site Assessment, according to State Guidance, within Project limits to detect presence of hazardous materials on any property purchase, excavation or disturbance of structures, as early in the Project design as possible, but at a minimum prior to property acquisition or approved design.

- b. State shall conduct a Level 2 Preliminary Site Investigation, according to ODOT's Hazmat Program Procedures Guidebook and other applicable requirements of the Oregon Department of Environmental Quality, of sufficient scope to confirm the presence of contamination, determine impacts to properties and develop special provisions and cost estimates, if the Level 1 Initial Site Assessment indicates the potential presence of contamination that could impact the properties. If contamination is found, State will promptly disclose the severity and extent of contamination to Agency and present a recommendation for remediation to Agency as set forth in ODOT's Right of Way Manual Section 6.330 paragraph 2.
- c. State shall attempt to have the property owner undertake any necessary remediation at the property owner's expense. Other options are set forth in ODOT's Right of Way Manual section 6.330 paragraph 2.b. If State undertakes any remediation on the site, State will be solely responsible for any liability that may arise from such remediation.

B. Right of Way Phase: State or Agency shall perform the Services outlined in this Section B during the acquisition right of way phase of the Project as identified below. When Services listed under this Section B are performed by Agency, Agency shall charge the Services as right of way expenditures.

1. Right of Way Acquisition:

- a. Right of Way Acquisition is the process of obtaining property necessary for the Project, from negotiation to possession of the property, using various sub-processes including, but not limited to, appraisal, negotiation, condemnation, relocation, title closing, and project related property management related to the potential exercise of eminent domain. The basic requirements for carrying out right of way acquisition for the Project are set forth in this Section B.
- b. When performing the right of way acquisition Services, State shall provide Agency with a quarterly status report of the Services.
- c. Title to properties acquired shall be in the name of State.
- d. The Agency delegates, and the State accepts, the Agency's authority pursuant to all relevant common law, statutes, ordinances, and other authorities, to acquire and condemn property on Agency's behalf for the Project, where such acquisition or condemnation is made necessary by the Project.
- e. The Agency shall adopt a resolution of intention and determination of necessity in accordance with ORS 35.235 and ORS 35.610, authorizing acquisition and condemnation ("Resolution"). Agency's Resolution shall be substantially in the form of Exhibit B, attached hereto and by this reference made a part hereof. If the Agency would like the Oregon Department of Justice (DOJ) to provide legal or litigation Services related to the condemnation work identified in this Agreement on Agency's behalf, DOJ must provide approval prior to performance of the Right of Way Services under this Agreement. To secure DOJ assistance, ODOT's Region Right of Way

Manager must submit a written request to DOJ's Chief Trial Counsel, the Agency must expressly and officially request and authorize DOJ representation for the condemnation on the Project, and the signature of DOJ's Chief Trial Counsel must be obtained on this Agreement.

2. Real Property and Title Insurance:

- a. State shall determine sufficiency of title (taking subject to). If the Agency acquires any right of way on a State highway, sufficiency of title (taking subject to) shall be determined in accordance with the current ODOT Right of Way Manual, and after obtaining State's concurrence. Agency shall clear any encumbrances necessary to conform to these requirements, obtain Title Insurance policies as required and provide the State copies of any title policies for the properties acquired.
- b. Agency shall accept conveyed property "as-is" and in accordance with ORS 93.808. State is not required to provide any additional Services to Agency, including but not limited to payment, documentation, platting, surveying, or remediation, beyond those specifically set forth in this Agreement.

3. Appraisal:

- a. State shall conduct the valuation process of properties to be acquired. If hazardous materials are located on the property, State shall use section 6.330, paragraph 2 in ODOT's Right of Way Manual.
- b. State shall perform the appraisal reviews to set just compensation.
- c. State shall recommend just compensation, based upon a review of the valuation by qualified personnel.

4. Negotiations:

- a. State shall tender all monetary offers to landowners in writing at the compensation level shown in the appraisal review. State shall have sole authority to negotiate and make all settlement offers. When settlements for property acquisitions are made for more or less than the approved just compensation amount, a justification is required. Said statement will include the consideration of any property trades, construction obligations and zoning or permit concessions. If State performs this function, it will provide the Agency with all pertinent letters, negotiation records and obligations incurred during the acquisition process.
- b. State and Agency shall determine a date for certification of right of way and agree to cosign the State's Right of Way Certification form. State and Agency agree possession of all right of way is complete prior to advertising for any construction contract, unless otherwise agreed to by Agency and State.

- c. State agrees to file all Recommendations for Condemnation (Form 734-3311 and accompanying documents) with ODOT right of way headquarters, at least seventeen (17) weeks prior to the right of way certification date if negotiations have not been successful on those properties.

5. Relocation:

- a. State shall perform any relocation assistance, make replacement housing computations, and do all things as required by applicable state and federal law necessary to relocate any persons displaced by the Project.
- b. State shall determine all relocation benefits each property owner is eligible for and shall make all relocation and moving payments.
- c. State shall facilitate the relocation appeal process.

C. Closing Phase

1. State shall close all transactions. This includes drawing of deeds, releases and satisfactions necessary to clear title, obtaining signatures on release documents, and making all payments
2. Upon acceptance by State the conveyance documents shall be recorded.

D. Property Management

1. State shall take possession of all the acquired properties. There shall be no encroachments of buildings or other private improvements allowed upon the State highway right of way.
2. State shall dispose of all improvements and excess land consistent with applicable state, federal, and local laws and policies.
3. State shall conduct asbestos, lead paint and other hazardous materials surveys for all structures that will be demolished, renovated or otherwise disturbed. Asbestos surveys must be conducted by an AHERA (asbestos hazard emergency response act) certified inspector.

E. Condemnation

1. State may offer mediation if the State and property owners have reached an impasse.
2. State shall perform all administrative functions in preparation of the condemnation process, such as preparing final offer and complaint letters.

3. State shall perform all legal and litigation Services related to the condemnation process, including all settlement offers. Prior approval of this Agreement by DOJ and passage of an Agency Resolution are required as provided in Section B.1.e above.
4. When State performs legal or litigation Services related to the condemnation process, Agency acknowledges, agrees and undertakes to assure that no member of Agency's board or council, nor Agency's mayor, when such member or mayor is a practicing attorney, nor Agency's attorney(s), nor any member of the law firm of Agency's attorney(s), board or council member(s), or mayor, nor any other employee or representative of Agency licensed to practice law, will represent any party, except Agency, against the State of Oregon, its employees or contractors, in any matter arising from or related to the Project or the Services.

F. Transfer of Right of Way to State

When right of way is being acquired in Agency's name, Agency agrees to transfer and State agrees to accept all right of way acquired on the State highway. Agency shall identify the existence of any hazardous materials on or in the property prior to the transfer. The specific method of conveyance will be determined by the Agency and the State at the time of transfer and shall be coordinated by the State's Region Right of Way Manager. Agency agrees to provide the State all information and file documentation the State deems necessary to integrate the right of way into the State's highway system. At a minimum, this includes: copies of all recorded conveyance documents used to vest title in the name of the Agency during the right of way acquisition process, and the Agency's Final Report or Summary Report for each acquisition file that reflects the terms of the acquisition and all agreements with the property owner(s).

G. Transfer of Right of Way to Agency

When right of way is being acquired in State's name, State agrees to transfer and Agency agrees to accept, at no additional cost to the State, all right of way acquired on the Agency's facility, subject to concurrence from the Oregon Transportation Commission and FHWA at the time of the transfer. State shall identify the existence of any hazardous materials on or in the property prior to the transfer. The specific method of conveyance will be determined by the State and the Agency at the time of transfer and shall be coordinated by the State's Region Right of Way Manager. If requested, State agrees to provide Agency information and file documentation associated with the transfer.

EXHIBIT B
SAMPLE RESOLUTION EXERCISING THE POWER OF EMINENT DOMAIN
Right of Way Services

This Exhibit is an example only and the completed resolution will be a separate document from the ROWSA. (Instructions, please delete before completing form) Regions: This portion of the document is unlocked. The LPA should block and copy to incorporate this language into their own standard resolution form OR fill in an "attested to" line or signature line at the bottom and use this form.

WHEREAS (insert title of agency) may exercise the power of eminent domain pursuant to (Agency's charter) (statutes conferring authority) and the Law of the State of Oregon generally, when the exercise of such power is deemed necessary by the (insert title of agency)'s governing body to accomplish public purposes for which (insert title of agency) has responsibility;

WHEREAS (insert title of agency) has the responsibility of providing safe transportation routes for commerce, convenience and to adequately serve the traveling public;

WHEREAS the project or projects known as (insert Project name) have been planned in accordance with appropriate engineering standards for the construction, maintenance or improvement of said transportation infrastructure such that property damage is minimized, transportation promoted, travel safeguarded; and

WHEREAS to accomplish the project or projects set forth above it is necessary to acquire the interests in the property described in "Exhibit A" attached to this Resolution and, by this reference incorporated herein; now, therefore,

BE IT HEREBY RESOLVED by (Agency's Council, Commission, or Board)

1. The foregoing statements of authority and need are, in fact, the case. The project or projects for which the property is required and is being acquired are necessary in the public interest, and the same have been planned, designed, located, and will be constructed in a manner which will be most compatible with the greatest public good and the least private injury;
2. The power of eminent domain is hereby exercised with respect to each of the interests in property described in Exhibit A to this Resolution. Each is acquired subject to payment of just compensation and subject to procedural requirements of Oregon law;
3. ([Insert title of Agency]'s staff and [attorney/counsel] --OR-- (The Oregon Department of Transportation and the Attorney General) are authorized and requested to attempt to agree with the owner and other persons in interest as to the compensation to be paid for each acquisition, and, in the event that no satisfactory agreement can be reached, to commence and prosecute such condemnation proceedings as may be necessary to finally determine just compensation or any other issue appropriate to be determined by a court in connection with the acquisition. This authorization is not intended to expand the jurisdiction of any

court to decide matters determined above or determinable by the (Agency's Council, Commission, or Board).

4. (insert title of agency) expressly reserves its jurisdiction to determine the necessity or propriety of any acquisition, its quantity, quality, or locality, and to change or abandon any acquisition.

DATED this _____ day of _____, 20__

[insert signature blocks here]

Attachments: Exhibit A to Exhibit B to Agency Resolution Exercising the Power of
Eminent Domain – Property Description

Exhibit A to Exhibit B - Agency Resolution Exercising the Power of Eminent Domain – Property Description

Continued from previous page. This Exhibit is an example only and the completed resolution will be a separate document from the ROWSA.

[insert property description]

Exhibit C
PROJECT AGREEMENT

73000-00034327

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**ODOT Delivered Federal Project
On Behalf of City of Oregon City
Project Name: Oregon City Quiet Zone
Key Number: 23491**

THIS AGREEMENT ("Agreement") is made and entered into by and between the STATE OF OREGON, acting by and through its Department of Transportation, hereinafter referred to as "State" or "ODOT," and the City of Oregon City, acting by and through its elected officials, hereinafter referred to as "Agency," both herein referred to individually as "Party" and collectively as "Parties."

RECITALS

1. By the authority granted in Oregon Revised Statute (ORS) 190.110, 366.572 and 366.576, state agencies may enter into cooperative agreements with counties, cities and units of local governments for the performance of any or all functions and activities that a party to the Agreement, its officers, or agents have the authority to perform.
2. The 10th and 11th Street railroad crossings are a part of the city street system under the jurisdiction and control of Agency.
3. Agency has agreed that State will deliver this project on behalf of the Agency.
4. The Project was selected as a part of the USDOT Earmark 2022, and may include a combination of federal and state funds. "Project" is defined under Terms of Agreement, paragraph 1 of this Agreement.
5. The Stewardship and Oversight Agreement On Project Assumption and Program Oversight By and Between Federal Highway Administration, Oregon Division and the State of Oregon Department of Transportation ("Stewardship Agreement") documents the roles and responsibilities of the State with respect to project approvals and responsibilities regarding delivery of the Federal Aid Highway Program. This includes the State's oversight and reporting requirements related to locally administered projects. The provisions of that agreement are hereby incorporated and included by reference.

NOW THEREFORE the premises being in general as stated in the foregoing Recitals, it is agreed by and between the Parties hereto as follows:

TERMS OF AGREEMENT

1. Under such authority, Agency and State agree to State delivering the Oregon City Quiet Zone railroad crossing improvements at 10th street and 11th street in Oregon City on behalf of Agency, hereinafter referred to as "Project." Project includes improved pedestrian and traffic safety elements at two railroad crossings. The location of the Project is approximately as shown on the map attached hereto, marked "Exhibit A," and by this reference made a part hereof.
2. Agency agrees that, if State hires a consultant to design the Project, State will serve as the lead contracting agency and contract administrator for the consultant contract related to the work under this Agreement.
3. Project Costs and Funding.
 - a. The total Project cost is estimated at \$2,600,000.00, which is subject to change. Federal funds for this Project shall be limited to \$2,000,000.00. Agency shall be responsible for all remaining costs, including any non-participating costs, all costs in excess of the federal funds, and the 10.27 percent match for all eligible costs. Any unused funds obligated to this Project will not be paid out by State, and will not be available for use by Agency for this Agreement or any other projects. "Total Project Cost" means the estimated cost to complete the entire Project, and includes any federal funds, state funds, local matching funds, and any other funds.
 - b. With the exception of Americans with Disabilities Act of 1990-related design standards and exceptions, State shall consult with Agency on Project decisions that impact Total Project Cost involving the application of design standards, design exceptions, risks, schedule, and preliminary engineering charges, for work performed on roadways under local jurisdiction. State will allow Agency to participate in regular meetings and will use all reasonable efforts to obtain Agency's concurrence on plans. State shall consult with Agency prior to making changes to Project scope, schedule, or budget. However, State may award a construction contract up to ten (10) percent (%) over engineer's estimate without prior approval of Agency.
 - c. Federal funds under this Agreement are provided under Title 23, United States Code.
 - d. ODOT does not consider Agency to be a subrecipient or contractor under this Agreement for purposes of federal funds. The Catalog of Federal Domestic Assistance (CFDA) number for this Project is 20.205, title Highway Planning and Construction.
 - e. State will submit the requests for federal funding to the Federal Highway Administration (FHWA). The federal funding for this Project is contingent upon

approval of each funding request by FHWA. Any work performed outside the period of performance or scope of work approved by FHWA will be considered nonparticipating and paid for at Agency expense.

- f. Agency guarantees the availability of Agency funding in an amount required to fully fund Agency's share of the Project.
4. The term of this Agreement shall begin on the date all required signatures are obtained and shall terminate upon completion of the Project and final payment or ten (10) calendar years following the date all required signatures are obtained, whichever is sooner.
5. Termination.
 - a. This Agreement may be terminated by mutual written consent of both Parties.
 - b. State may terminate this Agreement upon 30 days' written notice to Agency.
 - c. State may terminate this Agreement effective upon delivery of written notice to Agency, or at such later date as may be established by State, under any of the following conditions:
 - i. If Agency fails to provide services called for by this Agreement within the time specified herein or any extension thereof.
 - ii. If Agency fails to perform any of the other provisions of this Agreement, or so fails to pursue the work as to endanger performance of this Agreement in accordance with its terms, and after receipt of written notice from State fails to correct such failures within ten (10) days or such longer period as State may authorize.
 - iii. If Agency fails to provide payment of its share of the cost of the Project.
 - iv. If State fails to receive funding, appropriations, limitations or other expenditure authority sufficient to allow State, in the exercise of its reasonable administrative discretion, to continue to make payments for performance of this Agreement.
 - v. If federal or state laws, regulations or guidelines are modified or interpreted in such a way that either the work under this Agreement is prohibited or if State is prohibited from paying for such work from the planned funding source.
 - d. Any termination of this Agreement shall not prejudice any rights or obligations accrued to the Parties prior to termination.

6. **Americans with Disabilities Act Compliance:**

- a. When the Project scope includes work on sidewalks, curb ramps, or pedestrian-activated signals or triggers an obligation to address curb ramps or pedestrian signals, the Parties shall:
 - i. Utilize ODOT standards to assess and ensure Project compliance with Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990 as amended (together, "ADA"), including ensuring that all sidewalks, curb ramps, and pedestrian-activated signals meet current ODOT Highway Design Manual standards;
 - ii. Follow ODOT's processes for design, construction, or alteration of sidewalks, curb ramps, and pedestrian-activated signals, including using the ODOT Highway Design Manual, ODOT Design Exception process, ODOT Standard Drawings, ODOT Construction Specifications, providing a temporary pedestrian accessible route plan and current ODOT Curb Ramp Inspection form;
 - iii. At Project completion, send a completed ODOT Curb Ramp Inspection Form 734-5020 to the address on the form as well as to State's Project Manager for each curb ramp constructed or altered as part of the Project. The completed form is the documentation required to show that each curb ramp meets ODOT standards and is ADA compliant. ODOT's fillable Curb Ramp Inspection Form and instructions are available at the following address:

<https://www.oregon.gov/ODOT/Engineering/Pages/Accessibility.aspx>; and
- b. Agency shall ensure that any portions of the Project under Agency's maintenance jurisdiction are maintained in compliance with the ADA throughout the useful life of the Project. This includes, but is not limited to, Agency ensuring that:
 - i. Pedestrian access is maintained as required by the ADA,
 - ii. Any complaints received by Agency identifying sidewalk, curb ramp, or pedestrian-activated signal safety or access issues are promptly evaluated and addressed,
 - iii. Agency, or abutting property owner, pursuant to local code provisions, performs any repair or removal of obstructions needed to maintain the facility in compliance with the ADA requirements that were in effect at the time the facility was constructed or altered,
 - iv. Any future alteration work on Project or Project features during the useful life of the Project complies with the ADA requirements in effect at the time the future alteration work is performed, and

- v. Applicable permitting and regulatory actions are consistent with ADA requirements.
 - c. Maintenance obligations in this section shall survive termination of this Agreement.
- 7. State shall ensure compliance with the Cargo Preference Act and implementing regulations (46 CFR Part 381) for use of United States-flag ocean vessels transporting materials or equipment acquired specifically for the Project. Strict compliance is required, including but not limited to the clauses in 46 CFR 381.7(a) and (b) which are incorporated by reference. State shall also include this requirement in all contracts and ensure that contractors include the requirement in their subcontracts.
- 8. Agency grants State the right to enter onto Agency right of way for the performance of duties as set forth in this Agreement.
- 9. The Parties acknowledge and agree that State, the Oregon Secretary of State's Office, the federal government, and their duly authorized representatives shall have access to the books, documents, papers, and records of the Parties which are directly pertinent to the specific Agreement for the purpose of making audit, examination, excerpts, and transcripts for a period of six (6) years after completion of the Project and final payment. Copies of applicable records shall be made available upon request. Payment for costs of copies is reimbursable by the requesting party.
- 10. The Special and Standard Provisions attached hereto, marked Attachments 1 and 2, respectively, are incorporated by this reference and made a part hereof. The Standard Provisions apply to all federal-aid projects and may be modified only by the Special Provisions. The Parties hereto mutually agree to the terms and conditions set forth in Attachments 1 and 2. In the event of a conflict, this Agreement shall control over the attachments, and Attachment 1 shall control over Attachment 2.
- 11. Agency shall assume sole liability for Agency's breach of any federal statutes, rules, program requirements and grant provisions applicable to the federal funds, and shall, upon Agency's breach of any such conditions that requires the State to return funds to FHWA, hold harmless and indemnify the State for an amount equal to the funds received under this Agreement.
- 12. Agency and State are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly, indirectly or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Agreement.
- 13. State and Agency hereto agree that if any term or provision of this Agreement is declared by a court of competent jurisdiction to be invalid, unenforceable, illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be

affected, and the rights and obligations of the Parties shall be construed and enforced as if the Agreement did not contain the particular term or provision held to be invalid.

14. Notwithstanding anything in this Agreement or implied to the contrary, the rights and obligations set out in the following paragraphs of this Agreement shall survive Agreement expiration or termination, as well as any provisions of this Agreement that by their context are intended to survive: Terms of Agreement Paragraphs 3.e (Funding), 5.d (Termination), 6.c (ADA maintenance), 9-14, 17 (Integration, Merger; Waiver); and Attachment 2, paragraphs 1 (Project Administration), 7, 9, 11, 13 (Finance), and 37-41 (Maintenance and Contribution).
15. Agency certifies and represents that the individual(s) signing this Agreement has been authorized to enter into and execute this Agreement on behalf of Agency, under the direction or approval of its governing body, commission, board, officers, members or representatives, and to legally bind Agency.
16. This Agreement may be executed in several counterparts all of which when taken together shall constitute one agreement binding on all Parties, notwithstanding that all Parties are not signatories to the same counterpart. Each copy of this Agreement so executed shall constitute an original.
17. This Agreement and attached exhibits constitute the entire agreement between the Parties on the subject matter hereof. In the event of conflict, the body of this Agreement and the attached exhibits will control over Project application and documents provided by Agency to State. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. No waiver, consent, modification or change of terms of this Agreement shall bind either party unless in writing and signed by both Parties and all necessary approvals have been obtained. Such waiver, consent, modification or change, if made, shall be effective only in the specific instance and for the specific purpose given. The failure of State to enforce any provision of this Agreement shall not constitute a waiver by State of that or any other provision. Notwithstanding this provision, the Parties may enter into a Right Of Way Services Agreement in furtherance of the Project.
18. State's Project Manager for this Project is Mahasti Hastings, 123 Flanders Street, Portland, Oregon, Mahasti.V.HASTINGS@odot.oregon.gov, or assigned designee upon individual's absence. State shall notify the other Party in writing of any contact information changes during the term of this Agreement.
19. Agency's Project Manager for this Project is Dayna Webb, City Engineer, City of Oregon City, PO Box 3040, 13895 Fir Street, Oregon City, Oregon 97045; 971-204-4633, dwebb@orc.org, or assigned designee upon individual's absence. Agency shall notify the other Party in writing of any contact information changes during the term of this Agreement.

Agency/State
Agreement No.73000-00019224

THE PARTIES, by execution of this Agreement, hereby acknowledge that their signing representatives have read this Agreement, understand it, and agree to be bound by its terms and conditions.

This Project is in the 2024-2027 Statewide Transportation Improvement Program (STIP), (Key #23491) that was adopted by the Oregon Transportation Commission on July 13, 2023 (or subsequently by amendment to the STIP).

CITY OF OREGON CITY, by and through
its elected officials

By Autly J. K. J. J.

Title City Manager

Date 12-6-23

By _____

Title _____

Date _____

**LEGAL REVIEW APPROVAL (If required
in Agency's process)**

By _____
Agency Counsel

Date _____

Agency Contact:

Dayna Webb, City Engineer
City of Oregon City, PO Box 3040,
Oregon City, Oregon 97045
971.204.4633
dwebb@orc.org

State Contact:

Mahasti Hastings, Project Manager
123 Flanders Street
Portland, Oregon
503.731.8595
Mahasti.V.HASTINGS@odot.oregon.gov

STATE OF OREGON, by and through
its Department of Transportation

By MacGregor Lynde
MacGregor Lynde

Date 12/15/2023

By Rian Windsheimer
Rian Windsheimer

Date 12/14/2023

APPROVAL RECOMMENDED

By Michael K. M. J. J.
State Traffic Roadway
Engineer

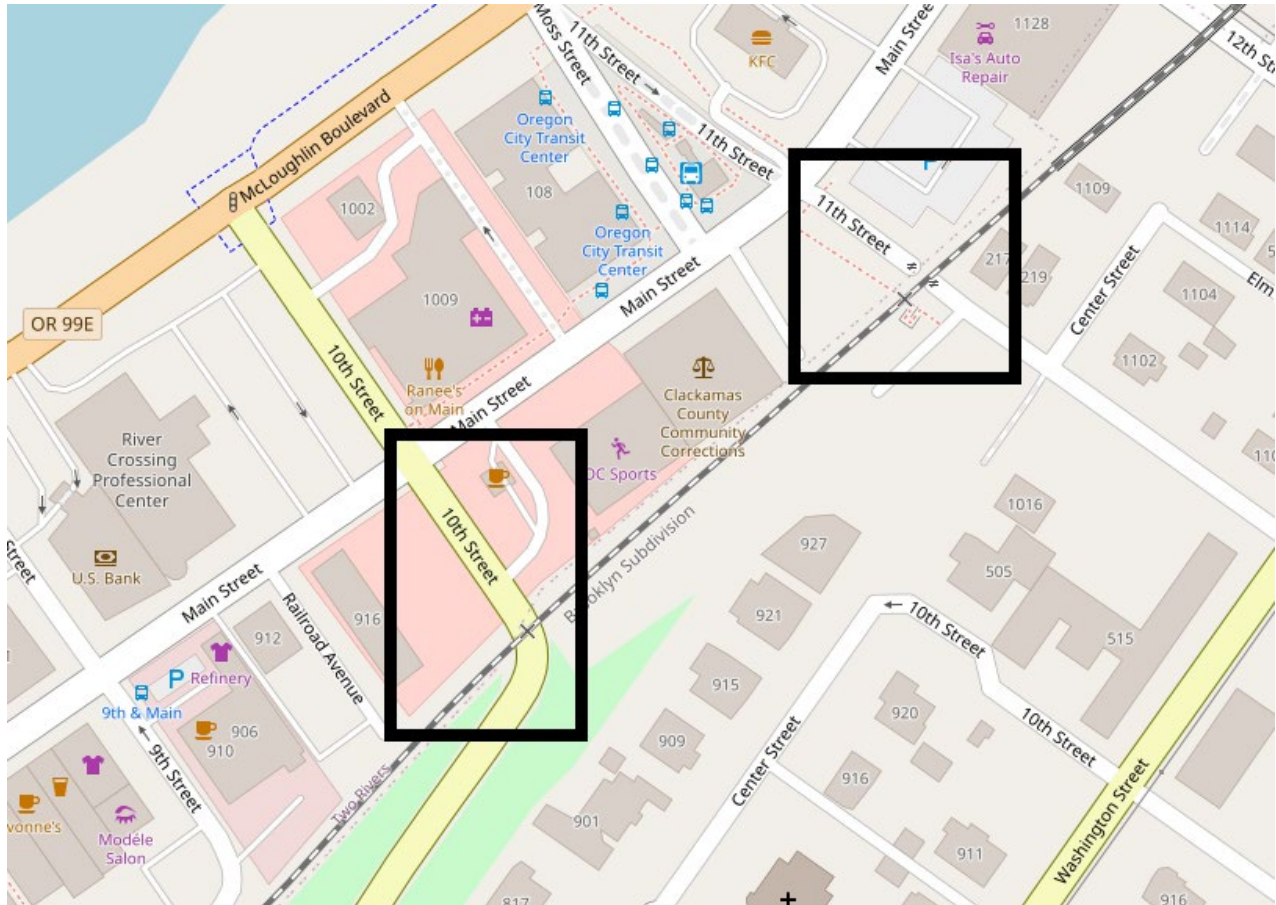
Date 12/14/2023

**APPROVED AS TO LEGAL
SUFFICIENCY**

By Herbert Lovejoy via email
Assistant Attorney General (If Over
\$150,000)

Date 9/6/23

EXHIBIT A – Project Location Map



**ATTACHMENT NO. 1 to AGREEMENT NO. 19224
SPECIAL PROVISIONS**

1. State or its consultant shall conduct all work components necessary to complete the Project, except for those responsibilities specifically assigned to Agency in this Agreement.
 - a. State or its consultant shall conduct preliminary engineering and design work required to produce final plans, specifications, and cost estimates in accordance with current state and federal laws and regulations; obtain all required permits; acquire necessary right of way and easements; and arrange for all utility relocations and adjustments.
 - b. State will advertise, bid, and award the construction contract. Upon State's award of the construction contract, a consultant hired and overseen by the State shall be responsible for contract administration and construction engineering & inspection, including all required materials testing and quality documentation. State shall make all contractor payments.
 - c. State will perform project management and oversight activities throughout the duration of the Project. The cost of such activities will be billed to the Project.
2. State and Agency agree that the useful life of this Project is defined as 10 years.
3. If Agency fails to meet the requirements of this Agreement or the underlying federal regulations, State may withhold the Agency's proportional share of Highway Fund distribution necessary to reimburse State for costs incurred by such Agency breach.

ATTACHMENT NO. 2 FEDERAL STANDARD PROVISIONS

PROJECT ADMINISTRATION

1. State (ODOT) is acting to fulfill its responsibility to the Federal Highway Administration (FHWA) by the administration of this Project, and Agency (i.e. county, city, unit of local government, or other state agency) hereby agrees that State shall have full authority to carry out this administration. If requested by Agency or if deemed necessary by State in order to meet its obligations to FHWA, State will act for Agency in other matters pertaining to the Project. Prior to taking such action, State will confer with Agency concerning actions necessary to meet federal obligations. State and Agency shall each assign a person in responsible charge "liaison" to coordinate activities and assure that the interests of both Parties are considered during all phases of the Project.
2. Any project that uses federal funds in project development is subject to plans, specifications and estimates (PS&E) review and approval by FHWA or State acting on behalf of FHWA prior to advertisement for bid proposals, regardless of the source of funding for construction.
3. State will provide or secure services to perform plans, specifications and estimates (PS&E), construction contract advertisement, bid, award, contractor payments and contract administration. A State-approved consultant may be used to perform preliminary engineering, right of way and construction engineering services.
4. Agency may perform only those elements of the Project identified in the special provisions.

PROJECT FUNDING REQUEST

5. State shall submit a separate written Project funding request to FHWA requesting approval of federal-aid participation for each project phase including a) Program Development (Planning), b) Preliminary Engineering (National Environmental Policy Act - NEPA, Permitting and Project Design), c) Right of Way Acquisition, d) Utilities, and e) Construction (Construction Advertising, Bid and Award). Any work performed prior to FHWA's approval of each funding request will be considered nonparticipating and paid for at Agency expense. State, its consultant or Agency shall not proceed on any activity in which federal-aid participation is desired until such written approval for each corresponding phase is obtained by State. State shall notify Agency in writing when authorization to proceed has been received from FHWA. All work and records of such work shall be in conformance with FHWA rules and regulations.

FINANCE

6. Federal funds shall be applied toward Project costs at the current federal-aid matching ratio, unless otherwise agreed and allowable by law. Agency shall be responsible for the entire match amount for the federal funds and any portion of the Project, which is not covered by federal funding, unless otherwise agreed to and specified in the intergovernmental Agreement (Project Agreement). Agency must obtain written approval from State to use in-kind contributions rather than cash to satisfy all or part of the matching funds requirement. If federal funds are used, State will specify the Catalog of Federal Domestic Assistance (CFDA) number in the Project Agreement. State will also determine and clearly state in the Project Agreement if recipient is a subrecipient or contractor, using the criteria in 2 CFR 200.331.

7. If the estimated cost exceeds the total matched federal funds available, Agency shall deposit its share of the required matching funds, plus 100 percent of all costs in excess of the total matched federal funds. Agency shall pay one hundred (100) percent of the cost of any item in which FHWA will not participate. If Agency has not repaid any non-participating cost, future allocations of federal funds or allocations of State Highway Trust Funds to Agency may be withheld to pay the non-participating costs. If State approves processes, procedures, or contract administration that result in items being declared non-participating by FHWA, such items deemed non-participating will be negotiated between Agency and State. Agency agrees that costs incurred by State and Agency for services performed in connection with any phase of the Project shall be charged to the Project, unless otherwise mutually agreed upon by the Parties.
8. Agency's estimated share and advance deposit.
 - a) Agency shall, prior to commencement of the preliminary engineering and/or right of way acquisition phases, deposit with State its estimated share of each phase. Exception may be made in the case of projects where Agency has written approval from State to use in-kind contributions rather than cash to satisfy all or part of the matching funds requirement.
 - b) Agency's construction phase deposit shall be one hundred ten (110) percent of Agency's share of the engineer's estimate and shall be received prior to award of the construction contract. Any additional balance of the deposit, based on the actual bid, must be received within forty-five (45) days of receipt of written notification by State of the final amount due, unless the contract is cancelled. Any balance of a cash deposit in excess of amount needed, based on the actual bid, will be refunded within forty-five (45) days of receipt by State of the Project sponsor's written request.
 - c) Pursuant to Oregon Revised Statutes (ORS) 366.425, the advance deposit may be in the form of 1) money deposited in the State Treasury (an option where a deposit is made in the Local Government Investment Pool), and an Irrevocable Limited Power of Attorney is sent to State's Active Transportation Section, Funding and Program Services Unit, or 2) an Irrevocable Letter of Credit issued by a local bank in the name of State, or 3) cash or check submitted to the Oregon Department of Transportation.
9. If Agency makes a written request for the cancellation of a federal-aid project; Agency shall bear one hundred (100) percent of all costs incurred as of the date of cancellation. If State was the sole cause of the cancellation, State shall bear one hundred (100) percent of all costs incurred. If it is determined that the cancellation was caused by third parties or circumstances beyond the control of State or Agency, Agency shall bear all costs, whether incurred by State or Agency, either directly or through contract services, and State shall bear any State administrative costs incurred. After settlement of payments, State shall deliver surveys, maps, field notes, and all other data to Agency.
10. Agency shall make additional deposits, as needed, upon request from State. Requests for additional deposits shall be accompanied by an itemized statement of expenditures and an estimated cost to complete the Project.
11. Agency shall, upon State's written request for reimbursement in accordance with Title 23, CFR part 630.112(c) 1 and 2, as directed by FHWA, reimburse State for federal-aid funds distributed to Agency if any of the following events occur:

- a) Right of way acquisition is not undertaken or actual construction is not started by the close of the twentieth federal fiscal year following the federal fiscal year in which the federal-aid funds were authorized for right of way acquisition. Agency may submit a written request to State's Liaison for a time extension beyond the twenty (20) year limit with no repayment of federal funds and State will forward the request to FHWA. FHWA may approve this request if it is considered reasonable.
 - b) Right of way acquisition or actual construction of the facility for which preliminary engineering is undertaken is not started by the close of the tenth federal fiscal year following the federal fiscal year in which the federal-aid funds were authorized. Agency may submit a written request to State's Liaison for a time extension beyond the ten (10) year limit with no repayment of federal funds and State will forward the request to FHWA. FHWA may approve this request if it is considered reasonable.
12. State shall, on behalf of Agency, maintain all Project documentation in keeping with State and FHWA standards and specifications. This shall include, but is not limited to, daily work records, quantity documentation, material invoices and quality documentation, certificates of origin, process control records, test results, and inspection records to ensure that the Project is completed in conformance with approved plans and specifications.
 13. State shall submit all claims for federal-aid participation to FHWA in the normal manner and compile accurate cost accounting records. State shall pay all reimbursable costs of the Project. Agency may request a statement of costs-to-date at any time by submitting a written request. When the final total cost of the Project has been computed, State shall furnish Agency with an itemized statement. Agency shall pay an amount which, when added to said advance deposit and federal reimbursement payment, will equal one hundred (100) percent of the final total cost of the Project. Any portion of deposits made in excess of the final total cost of the Project, minus federal reimbursement, shall be released to Agency. The actual cost of services provided by State will be charged to the Project expenditure account(s) and will be included in the final total cost of the Project.

DESIGN STANDARDS

14. Agency and State agree that minimum design standards on all local agency jurisdictional roadway or street projects on the National Highway System (NHS) and projects on the non-NHS shall be the American Association of State Highway and Transportation Officials (AASHTO) standards and be in accordance with State's Oregon Bicycle & Pedestrian Design Guide (current version). State or its consultant shall use either AASHTO's A Policy on Geometric Design of Highways and Streets (current version) or State's Resurfacing, Restoration and Rehabilitation (3R) design standards for 3R projects. State or its consultant may use AASHTO for vertical clearance requirements on Agency's jurisdictional roadways or streets.
15. Agency agrees that if the Project is on the Oregon State Highway System or a State-owned facility, that design standards shall be in compliance with standards specified in the current ODOT Highway Design Manual and related references. Construction plans for such projects shall be in conformance with standard practices of State and all specifications shall be in substantial compliance with the most current Oregon Standard Specifications for Highway Construction and current Contract Plans Development Guide.
16. State and Agency agree that for all projects on the Oregon State Highway System or a State-owned facility, any design element that does not meet ODOT Highway Design Manual design standards must be justified and documented by means of a design exception. State and Agency further agree that for all projects on the NHS, regardless of funding source; any design element that does not

meet AASHTO standards must be justified and documented by means of a design exception. State shall review any design exceptions on the Oregon State Highway System and retain authority for said approval. FHWA shall review any design exceptions for projects subject to Project of Division Interest and retains authority for their approval.

17. ODOT agrees all traffic control devices and traffic management plans shall meet the requirements of the current edition of the Manual on Uniform Traffic Control Devices and Oregon Supplement as adopted in Oregon Administrative Rule (OAR) 734-020-0005. State or its consultant shall, on behalf of Agency, obtain the approval of the State Traffic Engineer prior to the design and construction of any traffic signal, or illumination to be installed on a state highway pursuant to OAR 734-020-0430.

PRELIMINARY & CONSTRUCTION ENGINEERING

18. Preliminary engineering and construction engineering may be performed by either a) State, or b) a State-approved consultant. Engineering work will be monitored by State to ensure conformance with FHWA rules and regulations. Project plans, specifications and cost estimates shall be performed by either a) State, or b) a State-approved consultant. State shall review and approve Project plans, specifications and cost estimates. State shall, at project expense, review, process and approve, or submit for approval to the federal regulators, all environmental statements. State shall offer Agency the opportunity to review the documents prior to advertising for bids.
19. Architectural, engineering, photogrammetry, transportation planning, land surveying and related services (A&E Services) as needed for federal-aid transportation projects must follow the State's processes to ensure federal reimbursement. State will award, execute, and administer the contracts. State's personal services contracting process and resulting contract document will follow Title 23 CFR part 172, 2 CFR part 1201, ORS 279A.055, 279C.110, 279C.125, OAR 731-148-0130, OAR 731-148-0220(3), OAR 731-148-0260 and State Personal Services Contracting Procedures, as applicable and as approved by the FHWA. Such personal services contract(s) shall contain a description of the work to be performed, a project schedule, and the method of payment. No reimbursement shall be made using federal-aid funds for any costs incurred by Agency or the state approved consultant prior to receiving authorization from State to proceed.
20. The State or its consultant responsible for performing preliminary engineering for the Project shall, as part of its preliminary engineering costs, obtain all Project related permits necessary for the construction of said Project. Said permits shall include, but are not limited to, access, utility, environmental, construction, and approach permits. All pre-construction permits will be obtained prior to advertisement for construction.
21. State shall prepare construction contract and bidding documents, advertise for bid proposals, award all construction contracts, and administer the construction contracts.
22. Upon State's award of a construction contract, State shall perform quality assurance and independent assurance testing in accordance with the FHWA-approved Quality Assurance Program found in State's Manual of Field Test Procedures, process and pay all contractor progress estimates, check final quantities and costs, and oversee and provide intermittent inspection services during the construction phase of the Project.
23. State shall, as a Project expense, assign a liaison to provide Project monitoring as needed throughout all phases of Project activities (preliminary engineering, right-of-way acquisition, and construction). State's liaison shall process reimbursement for federal participation costs.

Disadvantaged Business Enterprises (DBE) Obligations

24. State and Agency agree to incorporate by reference the requirements of 49 CFR part 26 and State's DBE Program Plan, as required by 49 CFR part 26 and as approved by USDOT, into all contracts entered into under this Project Agreement. The following required DBE assurance shall be included in all contracts:

"The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of Title 49 CFR part 26 in the award and administration of federal-aid contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as Agency deems appropriate. Each subcontract the contractor signs with a subcontractor must include the assurance in this paragraph (see 49 CFR 26.13(b))."

25. State and Agency agree to comply with all applicable civil rights laws, rules and regulations, including Title V and Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990 (ADA), and Titles VI and VII of the Civil Rights Act of 1964.
26. The Parties hereto agree and understand that they will comply with all applicable federal, state, and local laws, regulations, executive orders and ordinances applicable to the work including, but not limited to, the provisions of ORS 279C.505, 279C.515, 279C.520, 279C.530 and 279B.270, incorporated herein by reference and made a part hereof; Title 23 CFR parts 1.11, 140, 635, 710, and 771; Title 49 CFR parts 24 and 26; , 2 CFR 1201; Title 23, USC, Federal-Aid Highway Act; Title 41, Chapter 1, USC 51-58, Anti-Kickback Act; Title 42 USC; Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970, as amended, the provisions of the FAPG and *FHWA Contract Administration Core Curriculum Participants Manual & Reference Guide*. State and Agency agree that FHWA-1273 Required Contract Provisions shall be included in all contracts and subcontracts verbatim and not by reference.

RIGHT OF WAY

27. Right of Way activities shall be conducted in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, ORS Chapter 35, FAPG, CFR, and the *ODOT Right of Way Manual*, Title 23 CFR part 710 and Title 49 CFR part 24.
28. State is responsible for proper acquisition of the necessary right of way and easements for construction and maintenance of projects. State or its consultant may perform acquisition of the necessary right of way and easements for construction and maintenance of the Project in accordance with the *ODOT Right of Way Manual*, and with the prior approval from State's Region Right of Way office.
29. If the Project has the potential of needing right of way, to ensure compliance in the event that right of way is unexpectedly needed, a right of way services agreement will be required. State, at Project expense, shall be responsible for requesting the obligation of project funding from FHWA. State, at Project expense, shall be entirely responsible for project acquisition and coordination of the right of way certification.
30. State or its consultant shall ensure that all project right of way monumentation will be conducted in conformance with ORS 209.155.

31. State and Agency grant each other authority to enter onto the other's right of way for the performance of non-construction activities such as surveying and inspection of the Project.

RAILROADS

32. State shall follow State established policy and procedures when impacts occur on railroad property. The policy and procedures are available through the State's Liaison, who will contact State's Railroad Liaison on behalf of Agency. Only those costs allowable under Title 23 CFR part 140 subpart I, and Title 23 part 646 subpart B shall be included in the total Project costs; all other costs associated with railroad work will be at the sole expense of Agency, or others.

UTILITIES

33. State or its consultant shall follow State established statutes, policies and procedures when impacts occur to privately or publicly-owned utilities. Policy, procedures and forms are available through the State Utility Liaison or State's Liaison. State or its consultant shall provide copies of all signed utility notifications, agreements and Utility Certification to the State Utility & Railroad Liaison. Only those utility relocations, which are eligible for reimbursement under the FAPG, Title 23 CFR part 645 subparts A and B, shall be included in the total Project costs; all other utility relocations shall be at the sole expense of Agency, or others. Agency may send a written request to State, at Project expense, to arrange for utility relocations/adjustments lying within Agency jurisdiction. This request must be submitted no later than twenty-one (21) weeks prior to bid let date. Agency shall not perform any utility work on state highway right of way without first receiving written authorization from State.

GRADE CHANGE LIABILITY

34. Agency, if a County, acknowledges the effect and scope of ORS 105.755 and agrees that all acts necessary to complete construction of the Project which may alter or change the grade of existing county roads are being accomplished at the direct request of the County.
35. Agency, if a City, hereby accepts responsibility for all claims for damages from grade changes. Approval of plans by State shall not subject State to liability under ORS 105.760 for change of grade.
36. Agency, if a City, by execution of the Project Agreement, gives its consent as required by ORS 373.030(2) to any and all changes of grade within the City limits, and gives its consent as required by ORS 373.050(1) to any and all closure of streets intersecting the highway, in connection with or arising out of the Project covered by the Project Agreement.

MAINTENANCE RESPONSIBILITIES

37. Agency shall, at its own expense, maintain operate, and provide power as needed upon Project completion at a minimum level that is consistent with normal depreciation and/or service demand and throughout the useful life of the Project. The useful life of the Project is defined in the Special Provisions. State may conduct periodic inspections during the life of the Project to verify that the Project is properly maintained and continues to serve the purpose for which federal funds were provided. Maintenance and power responsibilities shall survive any termination of the Project Agreement. In the event the Project will include or affect a state highway, this provision does not address maintenance of that state highway.

CONTRIBUTION

38. If any third party makes any claim or brings any action, suit or proceeding alleging a tort as now or hereafter defined in ORS 30.260 ("Third Party Claim") against State or Agency with respect to which the other Party may have liability, the notified Party must promptly notify the other Party in writing of the Third Party Claim and deliver to the other Party a copy of the claim, process, and all legal pleadings with respect to the Third Party Claim. Each Party is entitled to participate in the defense of a Third Party Claim, and to defend a Third Party Claim with counsel of its own choosing. Receipt by a Party of the notice and copies required in this paragraph and meaningful opportunity for the Party to participate in the investigation, defense and settlement of the Third Party Claim with counsel of its own choosing are conditions precedent to that Party's liability with respect to the Third Party Claim.
39. With respect to a Third Party Claim for which State is jointly liable with Agency (or would be if joined in the Third Party Claim), State shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by Agency in such proportion as is appropriate to reflect the relative fault of State on the one hand and of Agency on the other hand in connection with the events which resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of State on the one hand and of Agency on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. State's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law, including the Oregon Tort Claims Act, ORS 30.260 to 30.300, if State had sole liability in the proceeding.
40. With respect to a Third Party Claim for which Agency is jointly liable with State (or would be if joined in the Third Party Claim), Agency shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by State in such proportion as is appropriate to reflect the relative fault of Agency on the one hand and of State on the other hand in connection with the events which resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of Agency on the one hand and of State on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. Agency's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law, including the Oregon Tort Claims Act, ORS 30.260 to 30.300, if it had sole liability in the proceeding.

ALTERNATIVE DISPUTE RESOLUTION

41. The Parties shall attempt in good faith to resolve any dispute arising out of this Project Agreement. In addition, the Parties may agree to utilize a jointly selected mediator or arbitrator (for non-binding arbitration) to resolve the dispute short of litigation.

WORKERS' COMPENSATION COVERAGE

42. All employers, including Agency, that employ subject workers who work under this Project Agreement in the State of Oregon shall comply with ORS 656.017 and provide the required Workers' Compensation coverage unless such employers are exempt under ORS 656.126. Employers Liability Insurance with coverage limits of not less than five hundred thousand (\$500,000) must be

included. State and Agency shall ensure that each of its contractors complies with these requirements.

LOBBYING RESTRICTIONS

43. Agency certifies by signing the Agreement that:

- a) No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
- b) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- c) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subgrants, and contracts and subcontracts under grants, subgrants, loans, and cooperative agreements) which exceed one hundred thousand dollars (\$100,000), and that all such subrecipients shall certify and disclose accordingly.
- d) This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Title 31, USC Section 1352.
- e) Any person who fails to file the required certification shall be subject to a civil penalty of not less than ten thousand dollars (\$10,000) and not more than one hundred thousand dollars (\$100,000) for each such failure.

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY, AND VOLUNTARY EXCLUSION – LOWER TIER COVERED TRANSACTIONS

By signing this Agreement, Agency agrees to fulfill the responsibility imposed by 2 CFR Subpart C, including 2 CFR 180.300, 180.355, 180.360, and 180.365, regarding debarment, suspension, and other responsibility matters. For the purpose of this provision only, Agency is considered a participant in a covered transaction. Furthermore, by signing this Agreement, Agency is providing the certification for its principals required in Appendix to 2 CFR part 180 – Covered Transactions.



CITY OF OREGON CITY

625 Center Street
Oregon City, OR 97045
503-657-0891

Staff Report

To:	City Commission	Agenda Date:	December 18, 2024
From:	Greg Williams, Library Director		

SUBJECT:

Item 7.c. - Construction Contract with Brandsen Hardwood Floors, Inc. for the Oregon City Library Wood Flooring Replacement Project

STAFF RECOMMENDATION:

Award the bid and authorize the City Manager to execute a Contract with Brandsen Hardwood Floors, Inc. in the amount of \$121,720.00 for replacement of wood flooring in the Oregon City Public Library.

EXECUTIVE SUMMARY:

Per the Facilities Condition Assessment (FCA) commissioned by the City in 2021, the wood flooring on the 1st floor of the Oregon City Public Library is in poor condition, has reached the end of its useful life, and needs to be replaced. An Invitation to Bid (ITB) was posted on November 20, 2024 and closed on December 4, 2024. Brandsen Hardwood Floors, Inc. was the low responsive bidder. The project is anticipated to begin and be completed in January, 2025.

BACKGROUND:

In 2021, the City contracted with Bureau Veritas to conduct a Facilities Condition Assessment (FCA) for all City facilities, including the Oregon City Public Library. The assessment inventoried each facility's major assets, assessed the current condition of these assets, and determined the Remaining Useful Life (RUL) of each asset. While most of the Library's assets were assessed to be in Fair or better condition and were not in need of immediate replacement, the wood flooring on the first floor of the Library (including both the older Carnegie section and the newer Lobby area) was assessed to be in Poor condition, with a Remaining Useful Life of 2 years. In addition, the floor's condition was identified as a potential safety (tripping) hazard. Because of the floor's poor condition, age, and number of times it has been refinished in the past, refinishing the existing wood is not feasible. Based on the assessment findings and the estimated replacement costs, funds to replace the wood flooring were requested and approved in the Library's BY 23-25 budget request.

On November 20, 2024 an Invitation to Bid (ITB) was posted on the City bid site. A mandatory walkthrough was held on November 26, 2024. The bid opening was held on December 4, 2024, with three (3) bids received. Staff reviewed the bids and determined that Brandsen Hardwood Floors, Inc. was the low responsive bidder. Below is a full list of the bidders and bid amounts:

<u>BIDDER</u>	<u>BID AMOUNT</u>
Brandsen Hardwood Floors, Inc.	\$109,720
Pacific Crest Construction	\$149,495
Buildscape, LLC	\$289,764

In addition, in order to accelerate the work and minimize required closures of the entire Library, we anticipate having the contractor work double shifts during portions of the project. We estimate the costs for these additional shifts will not exceed \$12,000. Accordingly, the total contract award value is one hundred twenty one thousand seven hundred twenty dollars (\$121,720).

We intend for the work to be completed in phases, to minimize the amount of time the entire Library will need to be closed to the public. We anticipate the entire Library will be closed for a period of time at the beginning of the project, so that floor replacement in the Lobby area can be completed as quickly as possible (Phase 1). Upon completion of Phase 1, the Lobby can be re-opened so that patrons can access the majority of the Library and browse/check out materials. Circulation services (including pickup of holds) will be temporarily relocated to the Community Room, while work in the Circulation Room, the Holds Room, and the Carnegie (Phases 2 and 3) is completed. Towards the end of the project, we anticipate a second brief closure to allow furniture to be reinstalled, and for staff to be able to catch up on backlogged circulation work.

During the project, the Community Room and upstairs Conference Room will not be available to the public (as staff will be using them to provide circulation services and for on-site storage). We anticipate portable outdoor storage will be brought in and staged in Library Park to temporarily store furniture (as there is not sufficient storage space in the Library). With the Community Room being unavailable, we have been working on relocating January programming, especially high-demand children's and family programming, to the Pioneer Community Center. The Carnegie computer lab will be unavailable for the duration of the project, but patrons will be able to check out Chromebook laptops should they need to access the internet.

While no specific historical requirements for replacing the floor were identified in consultation with Community Development and Facilities, we are very cognizant of the historical nature of the Carnegie and the importance to the community of maintaining the historical character of the space. It is our intention for the new wood flooring to match the existing wood floor in the Carnegie area as closely as possible (color, grain, size, orientation, etc...). In addition, we intend to salvage a portion of the the existing wood (as feasible given condition, salvage cost, and available storage space) for future reuse.

This project was discussed and endorsed by the Library Board, and an informational presentation was recently given to the Citizen Involvement Committee (CIC). In order to keep the community up-to-date, we have worked with the Communications Department to set up a project page on the City website. The web page will be updated with project status and timeline information as the project proceeds. We will augment this web page with communications and updates via our other usual communications channels, including email and social media.

The Library-specific section of the 2021 Bureau Veritas report is included with this staff report, as are some photographs illustrating the poor condition of the flooring in both areas.

OPTIONS:

1. Approve Contract with Brandsen Hardwood Floors, Inc. for the Oregon City Library Wood Flooring Replacement Project.
2. Approve Contract with Brandsen Hardwood Floors, Inc. for the Oregon City Library Wood Flooring Replacement Project with Amendments.
3. Deny Contract with Brandsen Hardwood Floors, Inc. for the Oregon City Library Wood Flooring Replacement Project and provide further direction.

BUDGET IMPACT:

Amount \$121,720
Fiscal Year(s): 24-25
Funding Source(s): Community Facilities Fund, per approved BY 23-25 budget.

Term of Contract: _____

SECTION VIA**CONTRACT AGREEMENT**

This Agreement, made and entered into this _____ day of December, 2024, between the CITY OF OREGON CITY ("CITY"), acting by and through the City Commission and BRANDSEN HARDWOOD FLOORS, INC ("CONTRACTOR").

Witnesseth, that the CONTRACTOR and the CITY, for the considerations stated herein, agree as follows:

ARTICLE I - Scope of Work

The CONTRACTOR hereby agrees to furnish all of the materials, equipment and labor necessary, and to perform all of the work for the project entitled **Oregon City Library Wood Flooring Replacement** in accordance with the contract documents which are hereby made a part of this agreement. The contract documents consist of:

Invitation to Bid Instructions to Bidders Bid Proposal and Bid Schedule Compliance with ORS 279C.840/PWR Resident Bidder Status Recycled Products Certification of Drug Testing Program Non-Collusion Statement Asbestos Certification Registrations (CCB#) Business License Certification of Non-Discrimination Certification of Compliance with Tax Law Bidder Responsibility Form/Customer Service Bid Bond First Tier Subcontractor Disclosure Form Oregon City Public Improvements Standard Conditions Contract Agreement	Statutory Conditions to Contract Agreement Performance Bond Payment Bond General Conditions Prevailing Wage Rates for Public Works Contracts in Oregon dated July 5, 2024, Prevailing Wage Apprenticeship Rates dated July 5, 2024 Definitions of Covered Occupations for Public Works Contracts in Oregon dated October 5, 2024 Contract Drawings Project Specifications Structural Calculations Standard and Guide Specifications for Construction (AAMA, ASTM, AA) as referenced by these documents Addenda: _____ All items included within these Contract Documents.
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The order of items cited above does not constitute an order of precedence different than that established in the special or standard specifications. Equivalent titles, which may be substituted for the above listed items, are included as if specifically named.

ARTICLE II - Time of Completion

The project shall be at substantial completion **45 consecutive** calendar days after the Notice to Proceed. The project shall be ready for final acceptance within **50 consecutive** calendar days after Notice to Proceed.

ARTICLE III – Contract Amount

The Contract Amount for the work covered by this Agreement is estimated to be one hundred twenty one thousand seven hundred twenty dollars (\$121,720).

Term of Contract: _____

ARTICLE IV - Warranty and Quality of Work

In addition to all other warranties, express or implied, that are part of this Agreement, the Contractor expressly warrants to the City for a period of one year from acceptance of the work by the City that all materials and equipment furnished under this contract will be new, unless otherwise specified, and that the work will be of good quality, free from faults and defects and in conformance with the City's specifications. Work that does not conform to these standards shall be considered defective.

Contractor shall, at its own expense, make good and repair any and all defects arising from faulty workmanship or materials, if the defective work is discovered within the one-year warranty period and notice thereof is given to the Contractor within 60 days after the expiration of the warranty period. If required by the City, the Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment used to repair the defect.

In witness whereof, the parties hereto have executed this agreement, the day and year first above written.

CITY OF OREGON CITY**BRANDSEN HARDWOOD FLOORS, INC.**

By: _____

Anthony J. Konkol III
City Manager

Printed Name

By: _____

Greg Williams
Library Director

By: _____

Authorized Signature

Approved as to Legal Sufficiency

Title

By: _____

City Attorney

Date

City Commission Award Date:

Address:

Federal Taxpayer ID Number

BID OPENING CHECKLIST

TIME: 2:00 pm

Page 53 of 650

**OREGON CITY
PUBLIC LIBRARY
RENOVATION &
ADDITION**

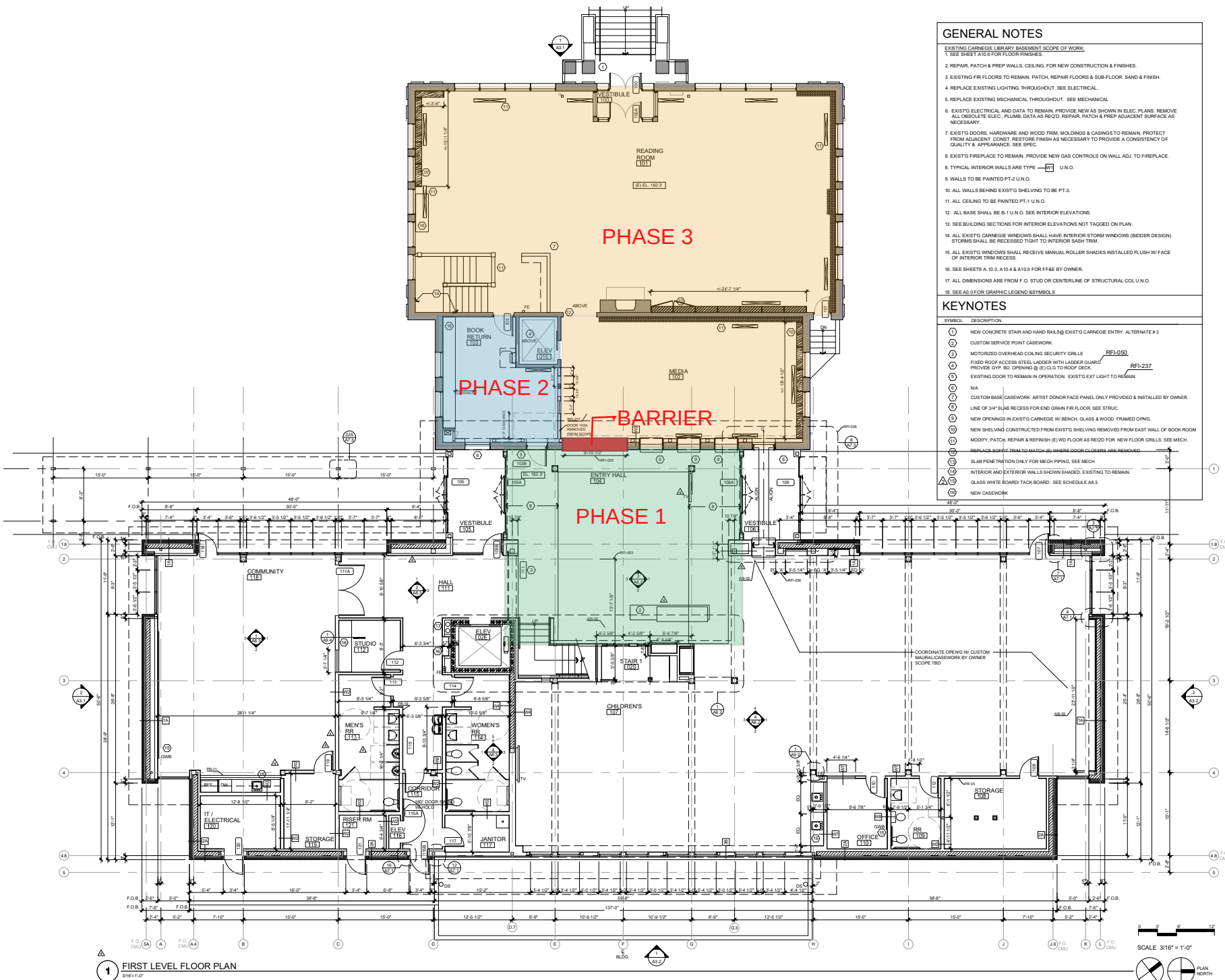
OREGON CITY, OREGON

GENERAL NOTES

- EXISTING CARNEGIE LIBRARY BASEMENT SCOPE OF WORK. SEE SHEET A10.2 FOR FLOOR FINISHES.
- REPAIR, PATCH & PREP WALLS, CEILING, FOR NEW CONSTRUCTION & FINISHES.
- EXISTING FR FLOORS TO REMAIN. PATCH, REPAIR FLOORS & SUB-FLOOR, SAND & FINISH.
- REPLACE EXISTING LIGHTING THROUGHOUT. SEE ELECTRICAL.
- REPLACE EXISTING MECHANICAL THROUGHOUT. SEE MECHANICAL.
- EXISTING ELECTRICAL AND DATA TO REMAIN. PROVIDE NEW AS SHOWN IN ELEC. PLANS. REMOVE ALL OBSOLETE ELEC. PLUMB. DATA AS REQ'D. REPAIR, PATCH & PREP ADJACENT SURFACE AS NECESSARY.
- EXISTING DOORS, HARDWARE AND WOOD TRIM, MOLDINGS & CASINGS TO REMAIN. PROTECT FROM ADJACENT CONST. RESTORE FINISH AS NECESSARY TO PROVIDE A CONSISTENCY OF QUALITY & APPEARANCE. SEE SPEC.
- EXISTING FIREPLACE TO REMAIN. PROVIDE NEW GAS CONTROLS ON WALL ADJ. TO FIREPLACE.
- TYPICAL INTERIOR WALLS ARE TYPE - **W1** U.N.O.
- WALLS TO BE PAINTED PT-2 U.N.O.
- ALL WALLS BEHIND EXISTING SHELVING TO BE PT-3.
- ALL CEILING TO BE PAINTED PT-1 U.N.O.
- ALL BASE SHALL BE B-1 U.N.O. SEE INTERIOR ELEVATIONS.
- SEE BUILDING SECTIONS FOR INTERIOR ELEVATIONS NOT TAGGED ON PLAN.
- ALL EXISTING CARNEGIE WINDOWS SHALL HAVE INTERIOR STORM WINDOWS (BIDDER DESIGN). STORMS SHALL BE RECESSED TIGHT TO INTERIOR SASH TRIM.
- ALL EXISTING WINDOWS SHALL RECEIVE MANUAL ROLLER SHADIES INSTALLED FLUSH W/ FACE OF INTERIOR TRIM RECESS.
- SEE SHEETS A.10.3, A.10.4 & A.10.5 FOR FR&E BY OWNER.
- ALL DIMENSIONS ARE FROM F.O. STUD OR CENTERLINE OF STRUCTURAL COL U.N.O.
- SEE A0.9 FOR GRAPHIC LEGEND SYMBOLS.

KEYNOTES

SYMBOL	DESCRIPTION
①	NEW CONCRETE STAIR AND HAND RAIL(S) EXISTING CARNEGIE ENTRY. ALTERNATE #3
②	CUSTOM SERVICE POINT CASEWORK.
③	MOTORIZED OVERHEAD COILING SECURITY GRILLE. RFI-050
④	FIXED ROOF ACCESS STEEL LADDER WITH LADDER GUARD. PROVIDE OYP. BD. OPENING @ (E) (C) TO ROOF DECK. RFI-237
⑤	EXISTING DOOR TO REMAIN IN OPERATION. EXISTING EXT LIGHT TO REMAIN.
⑥	N/A.
⑦	CUSTOM BASE CASEWORK. ARTIST DONOR FACE PANEL ONLY PROVIDED & INSTALLED BY OWNER. LINE OF 3/4" SLAB RECESS FOR END GRAN FR FLOOR. SEE STRUC.
⑧	NEW OPENINGS IN EXISTING CARNEGIE W/ BENCH GLASS & WOOD FRAMED OYNG.
⑨	NEW SHELVING CONSTRUCTED FROM EXISTING SHELVING REMOVED FROM EAST WALL OF BOOK ROOM. MODIFY, PATCH, REPAIR & REFINISH (E) W/D FLOOR AS REQ'D FOR NEW FLOOR GRILLS. SEE MECH.
⑩	REPLACE SASH TRIM TO MATCH (E) WHERE DOOR CLOSERS ARE REMOVED.
⑪	SLAB PENETRATION ONLY FOR MECH PIPING. SEE MECH.
⑫	INTERIOR AND EXTERIOR WALLS SHOWN SHADDED. EXISTING TO REMAIN.
⑬	GLASS WHITE BOARD TACK BOARD. SEE SCHEDULE A8.3.
⑭	NEW CASEWORK.



ASI 02 01.25.16
PR 05 10.14.15
RFI-005 09.09.15
RFI-003 09.09.15
CONSTRUCTION DOCUMENT SET

△ 06.29.15 BID CLARIFICATION
△ 07.02.15 BID CLARIFICATION
△ 07.31.15 FOR CONSTRUCTION
Drawing:
**FIRST LEVEL
FLOOR PLAN**

Job No: 1415
Date: JULY 31, 2015
Drawn By: -
Checked By: -
Sheet No: -

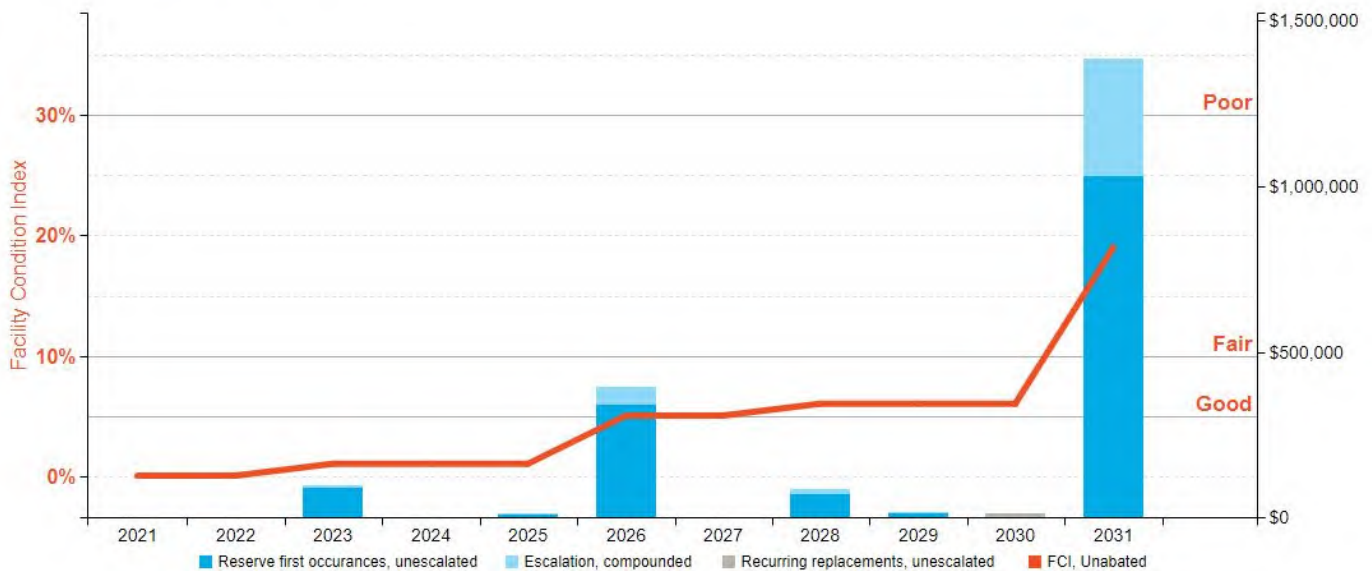
A2.1

The orange line in the graph below forecasts what would happen to the FCI (left Y axis) over time, assuming zero capital expenditures. The capital expenditures allocated for each year (blue bars) are associated with the dollar amounts along the right Y axis.

Needs by Year with Unaddressed FCI Over Time

FCI Analysis: Library

Replacement Value: \$ 10,541,178; Inflation rate: 3.0%



Immediate Needs

No Immediate Needs were observed at this time.

Key Findings



Flooring in Poor condition.

Wood, Strip
Library 101/102/103

Uniformat Code: C2034
Recommendation: **Replace in 2023**

Priority Score: **81.7**

Plan Type:
Performance/Integrity

Cost Estimate: \$91,700

\$\$\$\$

Wood flooring is in poor condition and may cause trip hazards. - AssetCALC ID: 2970588

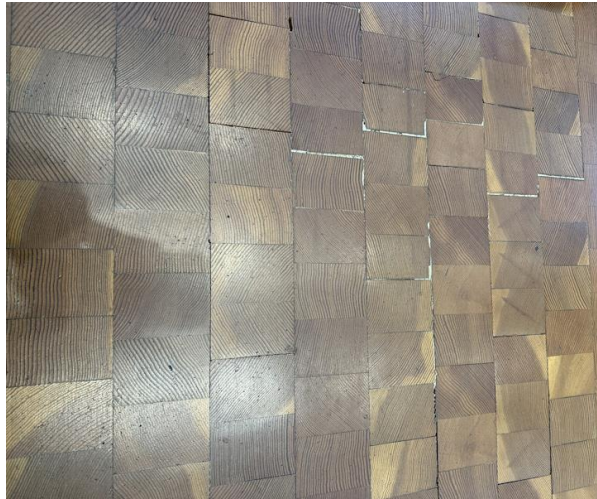
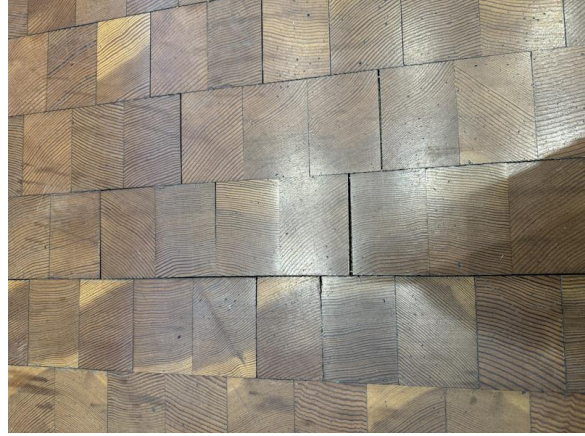
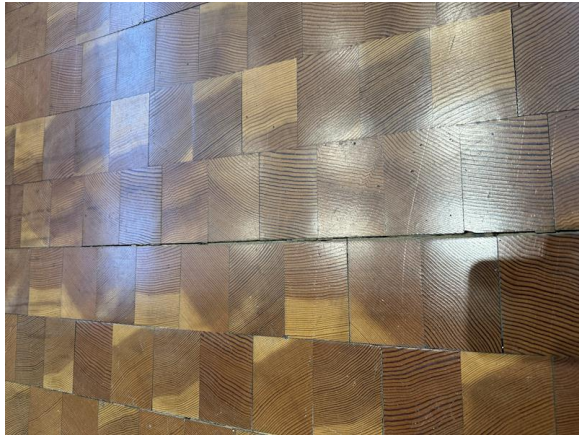
Component Condition Report | Library

UF L3 Code	Location	Condition	Asset/Component/Repair	Quantity	RUL	ID
Facade						
B2010	Building exterior	Fair	Exterior Walls, any painted surface, 1-2 Story Building, Prep & Paint	22,000 SF	5	2970584
B2020	Building exterior	Good	Window, Aluminum Double-Glazed, 16-25 SF [No tag/plate found]	100	20	2970613
B2020	Building exterior	Good	Window, Aluminum Double-Glazed, up to 15 SF [No tag/plate found]	240	20	2970602
B2050	Building exterior	Good	Exterior Door, Steel, Standard [No tag/plate found]	4	30	2970609
B2050	Building exterior	Good	Exterior Door, Aluminum-Framed & Glazed, Swinging or Sliding w/ Motor [No tag/plate found]	4	20	2970580
Roofing						
B3010		Good	Roofing, Metal	3,255 SF	35	2972849
B3010	Roof	Fair	Roofing, Single-Ply Membrane, TPO/PVC [No tag/plate found]	11,035 SF	10	2970625
B3060	Roof	Good	Roof Skylight, per unit, up to 20 SF [No tag/plate found]	12	20	2970632
B3060	Roof	Good	Roof Hatch, Metal [No tag/plate found]	1	20	2970598
Interiors						
C1030	Building exterior	Good	Interior Door, Aluminum-Framed & Glazed, Standard Swing	12	30	2970634
C1030	Throughout building	Good	Interior Door, Wood, Solid-Core [No tag/plate found]	16	30	2970600
C1070	Throughout building	Fair	Suspended Ceilings, Hard Tile, Replacement w/ ACT	15,000 SF	15	2970616
C1090	Basement	Good	Lockers, Steel-Baked Enamel, 12" W x 15" D x 72" H [No tag/plate found]	1	15	2970594
C2010		Fair	Wall Finishes, any surface, Prep & Paint	15,000 SF	5	2972124
C2010	Restrooms	Good	Wall Finishes, Ceramic Tile [No tag/plate found]	800 SF	30	2970587
C2030	Restrooms	Good	Flooring, Vinyl Tile (VCT) [No tag/plate found]	200 SF	10	2970608
C2030	Restrooms	Good	Flooring, any surface, w/ Epoxy Coating, Prep & Paint	950 SF	8	2970618
C2030	Throughout building	Fair	Flooring, Carpet, Commercial Standard	14,200 SF	5	2970585
C2030	101/102/103	Poor	Flooring, Wood, Strip	4,700 SF	2	2970588

Flooring condition samples – Carnegie



Flooring condition samples – Lobby





CITY OF OREGON CITY

625 Center Street
Oregon City, OR 97045
503-657-0891

Staff Report

To: City Commission **Agenda Date:** December 18, 2024
From: Tony Konkol, City Manager

SUBJECT:

Item 7.d. - Confederated Tribes of the Grand Ronde tumwata village complete streets RAISE grant letter of support

STAFF RECOMMENDATION:

Staff recommends that the City Commission approve the attached letter of support for a RAISE Grant that will be submitted by the Confederated Tribe of the Grand Ronde

EXECUTIVE SUMMARY:

The Confederated Tribes of the Grand Ronde Community has requested a letter of support for the *tumwata village* Complete Streets application that they will be submitted for the FY 2025 Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grant. This site is located within the Grand Ronde Tribe's ancestral homelands as defined by the Willamette Valley Treaty of 1855 and has tremendous historic and cultural significance. Since the purchase of the property, the Grand Ronde Tribe has been working to remediate site contamination, demolish buildings and structures, and has made substantial progress towards onsite redevelopment.

The *tumwata village* Complete Streets project is a critical roadway infrastructure project which will support equitable access to throughout the site, including climate and sustainability design elements, workforce development, contributing to short-term and long-term economic development, promoting tourism, creating quality jobs, contributing to Oregon City's existing Main Street, and driving robust wealth creation within the City of Oregon City, Clackamas County, the Portland Metropolitan Region, and throughout the State of Oregon as a whole. The *tumwata village* site is located adjacent to *tumwata* (Willamette Falls), which is the second largest waterfall by volume in the United States, an amazing natural resource for the state and country. Completing the street network will provide site access to the public and allow them close-up views of *tumwata* that have been unseen to the public for over 100-years.

BACKGROUND:

OPTIONS:

1. Approve Confederated Tribes of the Grand Ronde tumwata village complete streets RAISE grant letter of support.
2. Approve Confederated Tribes of the Grand Ronde tumwata village complete streets RAISE grant letter of support with Amendments.
3. Deny Confederated Tribes of the Grand Ronde tumwata village complete streets RAISE grant letter of support and provide further direction.

BUDGET IMPACT:

Amount \$

Fiscal Year(s):

Funding Source(s):

December 18, 2024

Dear Grant Review Committee:

On behalf of the City of Oregon City, I write in support of the *tumwata village* Complete Streets application by The Confederated Tribes of the Grand Ronde Community of Oregon (Grand Ronde Tribe) for the FY 2025 Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grant.

The Blue Heron Paper Mill, located on the on the banks of the Willamette River and at the south end of Oregon City's downtown, went bankrupt in 2011 and 175 living wage jobs were lost from the local community. The Grand Ronde Tribe purchased the property in 2019 and has worked over the last several years on the redevelopment and remediation plans for the property. This site sits within the Grand Ronde Tribe's ancestral homelands as defined by the Willamette Valley Treaty of 1855 and has tremendous historic and cultural significance. Since the purchase of the property, the Grand Ronde Tribe has been working to remediate site contamination, demolish buildings and structures, and has made substantial progress towards onsite redevelopment.

The *tumwata village* Complete Streets project is a critical roadway infrastructure project which will support equitable access to throughout the site, including climate and sustainability design elements, workforce development, contributing to short-term and long-term economic development, promoting tourism, creating quality jobs, contributing to Oregon City's existing Main Street, and driving robust wealth creation within the City of Oregon City, Clackamas County, the Portland Metropolitan Region, and throughout the State of Oregon as a whole. The *tumwata village* site is located adjacent to *tumwata* (Willamette Falls), which is the second largest waterfall by volume in the United States, an amazing natural resource for the state and country. Completing the street network will provide site access to the public and allow them close-up views of *tumwata* that have been unseen to the public for over 100-years.

The *tumwata village* Complete Streets project can be found in the Tribe's 2024-2029 Transportation Improvement Program, and in Oregon Metro's 2023 Regional Transportation Plan. To be included in both of these foundational planning documents, the *tumwata village* Complete Streets project went through a robust public involvement process and has significant community support.

The City Commission of the City of Oregon fully supports, and highly recommends this application for grant funding. This letter of support was approved unanimously at a public meeting by the Oregon City City Commission on December 18, 2024. The City looks forward to our continued collaboration with the Confederated Tribes of the Grand Ronde Community of Oregon, the development of the *tumwata village* Complete Streets project, and to see the project through construction and becoming an amazing asset for the community.

Sincerely,

Denyse C. McGriff
Mayor - City of Oregon City



CITY OF OREGON CITY CITY COMMISSION REGULAR MEETING DRAFT MEETING MINUTES

Commission Chambers, Libke Public Safety Facility, 1234 Linn Ave, Oregon City
Wednesday, August 7, 2024 at 7:00 PM

1. CONVENE MEETING AND ROLL CALL

Mayor Denyse McGriff convened the meeting at 7:02 P.M.

PRESENT: 5 - Commissioner Adam Marl, Commissioner Mike Mitchell, Commissioner Rocky Smith, Commissioner Frank O'Donnell, Mayor Denyse McGriff

STAFFERS: 7 - City Manager Tony Konkol, Assistant City Manager Alex Rains, Assistant City Recorder Evan Lee, Police Chief Shaun Davis, Public Works Director John Lewis, Communications Manager Jarrod Lyman, Community Engagement Specialist Hannah Schmidt

2. FLAG SALUTE

3. CEREMONIES AND PROCLAMATIONS

4. PUBLIC COMMENTS

Bob La Salle, resident of Oregon City, was having trouble getting information from staff about the parks maintenance deficit.

Tony Konkol, City Manager, said he had requested staff to forward requests from Commission candidates to him. This is the same process that the city staff uses for requests from sitting Commissioners. Staff would get the information to Mr. La Salle as soon as possible.

The Commission agreed that this was a good process.

5. PRESENTATIONS

6. ADOPTION OF THE AGENDA

The agenda was adopted as presented.

7. CONSENT AGENDA

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

YEA: Commissioner Marl, Mayor McGriff, Commissioner Mitchell, Commissioner O'Donnell, and Commissioner Smith

- 7.a. OLCC: Liquor License Application – Limited On-Premises and Off-Premises, CTP Adventures, LLC (dba The Growler Run), 19502 Molalla Ave., Ste. 117, Oregon City

7.b. Personal Services Agreement with Kennedy/Jenks Consultants, Inc. for the Henrici Water Pump Station and Transmission Improvement – WIFIA 3-2 Project (CI 24- 004)

7.c. Purchase of Asphalt for 2024 In-House Paving Projects

7.d. Purchase of Traffic Signal Radar Equipment from Advanced Traffic Products

7.e. Minutes of the April 17, 2024 City Commission Regular Meeting

7.f. Minutes of the May 01, 2024 City Commission Regular Meeting

8. PUBLIC HEARINGS

9. GENERAL BUSINESS

9.a. Second Reading of Ordinance No. 24-1006, Revising the City Code for the Youth Advisory Commission

Motion by Commissioner Marl, seconded by Mayor McGriff, to approve the second reading and final adoption of Ordinance No. 24-1006, revising the City Code for the Youth Advisory Commission. The motion carried by the following vote:

YEA: Commissioner Smith, Commissioner O'Donnell, Mayor McGriff, Commissioner Marl, Commissioner Mitchell

10. COMMUNICATIONS

City Manager

Mr. Konkol thanked staff for the National Night Out event.

Commissioners

Commissioner Mitchell also thanked everyone for the event. The Metro Urban Growth Boundary Round Table had finished its work and the report was open for public comment. The only proposal to add to the Metro UGB came from Sherwood, which wants to add a large development. He requested a Work Session on next year's Fourth of July event. He had spoken to the West Linn City Council about the letter from the River Assets and Opportunities Task Force that they would discuss at a future meeting.

Commissioner Marl concurred about a Work Session on the Fourth of July event. He was concerned about what was going on with the Willamette Falls Trust and how they were dedicating their time and funding towards the West Linn side of the river and not the Oregon City side.

There was discussion regarding the relationship between the City and the Trust and lack of oversight for the funding.

Mr. Konkol would research the agreement between the groups to see how it could be modified.

Mayor

None

11. ADJOURNMENT

Mayor McGriff adjourned the meeting at 7:28 P.M.

Respectfully submitted,

Jakob S. Wiley, City Recorder
Date Approved: _____



CITY OF OREGON CITY

625 Center Street
Oregon City, OR 97045
503-657-0891

Staff Report

To: City Commission **Agenda Date:** December 18, 2024
From: Aquilla Hurd-Ravich, Community Development Director

SUBJECT:

Item 8.a. - Second Reading of Ordinance No. 24-1008, Erosion and Sediment Control Code Amendment - OCMC 17.47 (GLUA-24-00026, ZC-24-0002, LEG-24-00003)

STAFF RECOMMENDATION:

Based on the findings in this report, staff recommended approval of amendments to OCMC 17.47 for Erosion and Sediment Control, as proposed, to the Planning Commission on November 18th, 2024. On November 18, 2024, the Planning Commission voted 6-0 in favor of recommending the amendments to OCMC 17.47 for Erosion and Sediment Control, as proposed, to the City Commission. On December 4, 2024, the City Commission approved the First Reading of Ordinance 24-1008.

EXECUTIVE SUMMARY:

The Oregon City Public Works Department requests the adoption of an ordinance to revise Oregon City Municipal Code section 17.47. The request for code changes is made due to Oregon Department of Environmental Quality (DEQ) requirements relating to the City's Municipal Separate Storm Sewer System (MS4) permit to update code language to address construction site runoff.

BACKGROUND:

The City of Oregon City operates under a Municipal Separate Storm Sewer System (MS4) Permit to comply with the State of Oregon DEQ regulations and requirements. One of those requirements was to update the Municipal Code relating to Erosion Control. Specifically, the MS4 permit requires municipal code to not only address erosion and sediment control, but it now also requires how construction site runoff is addressed. While the existing Erosion and Sediment Control code (OCMC 17.47) has been used for all construction site runoff controls, DEQ has determined through its MS4 permit that 'construction site runoff' needs to be explicit in municipal code rather than relying on the phrase 'Erosion and Sediment Control'. The idea behind the update of the MS4 permit was to ensure that not only construction site runoff relating to erosion of sediment was controlled, but also any other construction site runoff such as concrete wash, oil concerns, and other runoff not associated with sediment.

The City already has a Stormwater Management Plan and Illicit Discharge Ordinance which address all of the concerns beyond sediment controls including items such as concrete wash, oils, and other chemicals reaching our streams, rivers, lakes, and oceans by way of constructed storm sewer pipes, swales, and other conveyance systems. Post construction runoff is addressed by way of the City's Stormwater and Grading Design Standards which requires owners to operate and maintain stormwater management systems which address

water quality and water volumes.

Adoption of the code amendments is a legislative action that requires review and recommendation from the Planning Commission prior to adoption by the City Commission following public hearings. On November 18, 2024, the Planning Commission voted 6-0 in favor of recommending the amendments to OCMC 17.47 for Erosion and Sediment Control, as proposed, to the City Commission. On December 4, 2024, the City Commission approved the First Reading of Ordinance 24-1008.

OPTIONS:

1. Approve LEG-24-00003 and Second Reading of Ordinance 24-1008 as proposed.
2. Approve LEG-24-00003 with Amendments.
3. Deny LEG-24-00003 and provide further direction to Staff.

BUDGET IMPACT:

Amount \$

Fiscal Year(s):

Funding Source(s):

ORDINANCE NO. 24-1008

**AN ORDINANCE ADOPTING AMENDMENTS TO OREGON CITY MUNICIPAL CODE;
TITLE 17: EROSION AND SEDIMENT CONTROL OF THE OREGON CITY MUNICIPAL
CODE**

WHEREAS, the City of Oregon City is a municipal separate storm sewer system community, commonly called MS4;

WHEREAS, by being defined as an MS4 community, the City of Oregon City is required to obtain an MS4 permit from the Oregon Department of Environmental Quality;

WHEREAS, the City of Oregon City is part of the Clackamas Group of MS4 communities;

WHEREAS, Clackamas County obtains the MS4 permit on behalf of the communities who are part of the Clackamas Group;

WHEREAS, the Clackamas Group renewed its MS4 permit on September 15, 2021; and

WHEREAS, the renewed MS4 permit requires amendments to Title 17.47 of the Oregon City Municipal Code in order to comply with Clackamas County and the Clackamas Group communities' MS4 permit requirements.

NOW, THEREFORE, THE CITY OF OREGON CITY ORDAINS AS FOLLOWS:

Section 1. The City hereby amends the portions of the existing Oregon City Municipal Code, Title 17: Erosion and Sediment Control of The Oregon City Municipal Code; which are attached hereto as Exhibit 'A'.

Section 2. The Commission adopts the Staff Report and Recommendation.

Section 3. Severability. If any provision of this Ordinance or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of this Ordinance that can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable.

Section 4. Effectiveness. This Ordinance shall take effect 30 days from the date of adoption.

Read for the first time at a regular meeting of the City Commission held on the 4th day of December 2024 and the City Commission finally enacted the foregoing Ordinance this 18th day of December 2024.

Mayor Denyse C. McGriff

Attested to this _____ day of _____ 2024:

Approved as to legal sufficiency:

Jakob Wiley, City Recorder

City Attorney

Exhibits:

Exhibit A – Amended Sections of the Oregon City Municipal Code

Exhibit B – Staff Report



LEGISLATIVE STAFF REPORT AND RECOMMENDATION

A preliminary analysis of the applicable approval criteria for a legislative proposal is enclosed within the following report.

December 9, 2024

HEARING DATE: December 18, 2024 - City Commission

FILE NUMBER: GLUA-24-00026 / LEG-24-00003 / ZC-24-00002

APPLICATION TYPE: Legislative Text Amendmet (OCMC 17.50.170)

APPLICANT: City of Oregon City, c/o Public Works Development Department
Po Box 3040, Oregon City, OR 97045
Josh Wheeler, Assistant City Engineer
Marcos Kubow, Water Quality Coordinator

REQUEST: **Second Reading** of Amendments to Chapter 17.47 – Erosion and Sediment Control, of the Oregon City Municipal Code

LOCATION(S): Citywide

I. BACKGROUND:

The Oregon City Public Works Department requests the adoption of an ordinance to revise Oregon City Municipal Code section 17.47.

The request for code changes is made due to Oregon DEQ requirements relating to the City's Municipal Separate Storm Sewer System (MS4) permit to update code language to address construction site runoff.

II. EXECUTIVE SUMMARY

The proposed code amendments are attached to this report as an exhibit.

The City of Oregon City operates under a Municipal Separate Storm Sewer System (MS4) Permit to comply with the State of Oregon Department of Environmental Quality regulations and requirements. One of those requirements was to update the Municipal Code relating to Erosion Control. Specifically, the MS4 permit requires municipal code to not only address erosion and sediment control, but it now also requires how construction site runoff is addressed. While the existing Erosion and Sediment Control code (OCMC 17.47) has been used for all construction site runoff controls, DEQ has determined through its MS4 permit that 'construction site runoff' needs to

be explicit in municipal code rather than relying on the phrase ‘Erosion and Sediment Control’. The idea behind the update of the MS4 permit was to ensure that not only construction site runoff relating to erosion of sediment was controlled, but also any other construction site runoff such as concrete wash, oil concerns, and other runoff not associated with sediment.

The City already has a Stormwater Management Plan and Illicit Discharge Ordinance which address all of the concerns beyond sediment controls including items such as concrete wash, oils, and other chemicals reaching our streams, rivers, lakes, and oceans by way of constructed storm sewer pipes, swales, and other conveyance systems. Post construction runoff is addressed by way of the City’s Stormwater and Grading Design Standards which requires owners to operate and maintain stormwater management systems which address water quality and water volumes.

III. SUMMARY OF IMPACT

Who is affected by this regulation?

This code update to OCMC 17.47 will impact any project which seeks a permit for construction which disturbs over 1,000 square feet of ground. The projects which would have sought a permit before, using the standard over 1,000 square feet disturbance, will continue to be required to obtain a permit. The only difference is that enforcement of 17.47 is now regulated for more than sediment controls and also regulates other illicit discharges alongside the City’s Stormwater Management Plan and Illicit Discharge Ordinance.

How are the following terms to be added to the code, defined?

- **Construction Site Runoff**

Precipitation that does not naturally percolate into the ground or evaporate, but flows via overland flow, interflow, channels, or pipes into a defined surface water channel or a constructed stormwater control or infiltration facility Stormwater runoff from activities including clearing, grading, and excavating that result in land disturbance of equal to or greater than one acre and less than five acres (Small Construction) and five acres and above (Large construction) that contains sediment or waste materials from the defined construction site.

- **Construction site wastes**

Waste, waste matter, or waste product, is any material that has been used or served its purpose and is no longer wanted or needed during construction. Waste can include materials that are discarded as useless during production, or materials excreted during life processes.

- **Construction site waste management controls**

A process that involves managing materials that are no longer useful in order to reduce waste and its environmental impact. Construction waste management can include strategies to reduce, reuse, recycle, and properly dispose of waste.

- **Waste materials**

Waste, waste matter, or waste product, is any material that has been used or served its purpose and is no longer wanted or needed. Waste can include materials that are discarded as useless during construction, or materials excreted during life processes.

- **Waste materials control**

See waste management controls.

- **Discharge of construction site waste materials**

The release of any waste materials from a construction site or stormwater containing sediment and untreated pollutants.

- **Pollutant**

Dredged spoil; solid waste; incinerator residue; sewage; garbage; sewerage sludge; munitions; chemical wastes; biological materials; radioactive materials; heat; wrecked or discarded equipment; rock; sand; cellar dirt; and industrial, municipal, and agricultural waste discharged into water.

Do the proposed code revisions change existing city policy or further restrict what can be built on properties in Oregon City?

No. Projects which disturb 1,000 sf of land have always been required to obtain an erosion control permit. This code update does not change that standard and does not in any way further restrict what is allowed to be built on properties in Oregon City.

What will occur if the City does not adopt the proposed revisions?

The City will be out of compliance with the State MS4 permit of which the City is required to participate in due to its size and urban character. To become out of compliance could place the City in a position to receive penalties or fines until such time the City becomes compliant with the regulations of the MS4 permit

What do NPDES and the MS4 permit do for the City?

NPDES is defined as the National Pollutant Discharge Elimination System. NPDES is a Federal program created in 1972 to implement the Clean Water Act. The goal of the program is to eliminate, reduce, and minimize pollution to the nation's natural water bodies including but not limited to streams, rivers, lakes, and oceans.

Properties or projects which disturb 1.0 acre or more are required by the NPDES program to seek a permit. State agencies implement the program by way of permit on behalf of the Federal Environmental Protection Agency (EPA). In the State of Oregon, the Department of Environmental

Quality (DEQ) implements the program on behalf of the EPA. In the State of Oregon, the permit which implements the NPDES program for project runoff is a 1200-C permit.

Municipalities and counties are required to have a City Wide or County Wide (sometimes just a portion of the County) MS4 permit. This permit gives the City the requirements to enforce and ensure that projects obtain 1200-C permits and that erosion and construction site runoff are controlled. MS4 permits are categorized either as Phase 1 or Phase 2. Phase 1 permits are for urban areas of greater than 100,000 people. There are 6 MS4 Phase 1 permits in the State of Oregon : Portland Group, Gresham Group, Clackamas Group, Multnomah County and the cities of Salem and Eugene. Oregon City is a participant in the Clackamas Group.

In essence, the NPDES program by way of MS4 permits enforcing 1200-C permits manages the control of erosion, sediment, and construction site runoff.

Why should the City make these changes to the code now?

The City is required to make the code updates due to deadlines provided by DEQ to enforce the City MS4 permit. Deadlines of January 1, 2025 (1-1-25) and January 1, 2026 (1-1-26) exist to enforce various sections of the current MS4 permit and this is just one step in updating policies, codes, and standards to be in compliance with the current MS4 permit.

IV. SUMMARY OF PUBLIC OUTREACH

What public outreach has been done, or is planned, related to these changes?

The city reviewed the code changes with the Development Stakeholders Group on September 12, 2024. The code revisions were presented to the Citizen Involvement Committee on October 7, 2024.

V. PROCESS

Adoption of the code amendments is a legislative action that requires review and recommendation from the Planning Commission prior to adoption by the City Commission following public hearings.

On November 18, 2024, the Planning Commission voted 6-0 in favor of recommending the amendments to OCMC 17.47 for Erosion and Sediment Control to the City Commission.

On December 4, 2024, the City Commission approved the amendments to OCMC 17.47 for Erosion and Sediment Control as proposed for a First Reading.

PUBLIC NOTICE & COMMENTS

This is a legislative action that requires public notice pursuant to OCMC 17.50.090.C. - *Notice of Public Hearing on a Legislative Proposal*. The Community Development Director provided the required Post Acknowledgement Plan Amendment (PAPA) notice to the Oregon Department of

Land Conservation and Development on 9/23/2024. Notice of the 10/28/24 hearing was posted to the Oregon City Projects website and sent to all agency staff, local stakeholder groups, Neighborhood Associations, and the Citizen Involvement Committee was sent on 10/4/2024. As of December 9, 2024, no public comments have been received by Planning Staff related to this proposal.

VI. APPROVAL CRITERIA

OREGON CITY COMPREHENSIVE PLAN GOALS AND POLICIES AND STRATEGIES

Consistency of the proposed code amendments with the applicable goals, policies and strategies from the OC2040 Comprehensive Plan are addressed below.

Chapter 1: Healthy and Welcoming Communities

Goal 1: Implement and maintain a community engagement program that provides broad and inclusive opportunities for all Oregon City community members to learn about and understand city government processes, including land use planning, and participate meaningfully in decisions that impact their communities.

Policy 1.1 – Support the Citizen Involvement Committee (CIC) and Neighborhood Associations to engage and educate Oregon City community members in land use planning.

Strategy 1.1.A - Utilize neighborhood associations as the vehicle for neighborhood-based input to meet the requirements of the Land Conservation and Development Commission (LCDC) Statewide Planning Goal 1, Citizen Involvement. The Citizen Involvement Committee (CIC) shall serve as the officially recognized citizen committee needed to meet LCDC Statewide Planning Goal 1.

Finding: This goal has been met by presenting the code revisions to the Development Stakeholders Group (DSG) on September 12, 2024 and the Citizen Involvement Committee (CIC) on October 7, 2024. By meeting with the CIC, the minimum requirement as referenced in Strategy 1.1A has been addressed. To provide additional community engagement, we presented to a group of developers, engineers, and contractors who attend the DSG. That group will be most impacted by this code change.

Chapter 2: Diverse Economy

Goal 4: Encourage and support new development that incorporates supportive community features and sustainability principles in site design and building construction.

Policy 4.1 – Promote best practices for integrating residential infill development into the fabric of existing neighborhoods.

Strategy 4.1.A - Use a combination of incentives and development standards to promote and encourage well designed residential developments that result in neighborhood livability and stability

Finding: This goal has been met by ensuring the requirements of construction site runoff which includes the previously codified erosion and sediment controls is not further restricting development or construction as the standard requirement of receiving a permit is 1,000 square feet of disturbance or more. This standard already existed in the City adopted Stormwater and Grading



Design Standards. It is now specifically called out in code. Furthermore, by managing construction site runoff in addition to erosion and sediment control, this code further improves neighborhood livability and sustainability by controlling the potential negative effects of pollution from construction into the city's public ways, sewers, and lands.

Chapter 3: Connected Infrastructure

Goal 2: Ensure public utilities and infrastructure are maintained and improved to adequately serve all existing areas of Oregon City and can be extended to serve newly developing areas in a logical and fiscally responsible manner.

Policy 2.3 - Ensure public infrastructure investments are equitably applied across Oregon City neighborhoods.

Strategy 2.3.A - Implement the City's wastewater policies through the City of Oregon City Sanitary Sewer Master Plan.

Finding: By adopting this code, the public infrastructure will remain maintained not only by ensuring erosion and sediment are controlled and are prevented from entering the storm sewer system or roadway, but now construction site runoff is included which prevents any substance from entering the sewer or roadway.

Strategy 2.3.C - Plan, operate, and maintain the stormwater management system for all current and anticipated city residents within Oregon City's existing Urban Growth Boundary and plan strategically for future expansion areas.

Finding: The stormwater management system includes surface runoff into areas such as ditches and piped conveyance of rainwater. By adopting this code, the public infrastructure will remain maintained not only by ensuring erosion and sediment are controlled and are prevented from entering the storm sewer system or roadway, but now construction site runoff is included which prevents any substance from entering the sewer or roadway.

Policy 2.4 - Increase resiliency to climate change, natural hazard events, and cyber intrusions in public utility infrastructure.

Finding: By controlling construction site runoff, public utility infrastructure will be maintained and will minimize negative impacts on climate change or natural hazard events. Erosion which can cause landslides is prevented by controlling the runoff. This code revision sustains this standard.

Policy 4.2 - Continue to implement green, sustainable, and low-impact approaches to stormwater management.

Finding: Controlling construction site runoff following the standards of OCMC 17.47, OCMC 13.12, and the Stormwater and Grading design standards allows for keeping our streams, rivers, and lakes clean. By ensuring our stormwater management facilities are not impacted by construction site runoff, we ensure those facilities provide their sustainable low impact function and keep our region green. This code revision sustains this standard.

Chapter 4: Protected Environment

Goal 2: Conserve, protect, and enhance the function, health, and diversity of the City's natural resources and ecosystems.

Policy 2.2 - Implement site development and design practices that incorporate natural ecosystem enhancement, minimize impacts on natural resources, and avoid degradation or loss of wetlands, watershed, and habitat.

Strategy 2.2.A - Adopt and/or establish standards for all new development that promote the use of pervious surfaces and prevent negative ecological effects of urban stormwater runoff on streams, creeks and rivers.

Finding: Controlling construction site runoff following the standards of OCMC 17.47, OCMC 13.12, and the Stormwater and Grading design standards allows for keeping our streams, rivers, and lakes clean. By ensuring our stormwater management facilities are not impacted by construction site runoff, we ensure those facilities provide the sustainability of natural resources and ecosystems. This code revisions sustains this standard.

Policy 2.5 - Support water conservation and storm water management efforts within the Willamette Basin.

Strategy 2.5.A - Prevent erosion and restrict the discharge of sediments into surface- and groundwater by requiring erosion prevention measures and sediment control practices.

Finding: Controlling construction site runoff following the standards of OCMC 17.47, OCMC 13.12, and the Stormwater and Grading design standards allows for keeping our streams, rivers, and lakes clean. By ensuring our stormwater management facilities are not impacted by construction site runoff, we ensure those facilities provide their sustainable low impact function and keep our region green. This code revision sustains this standard.

Policy 2.9 - Establish, restore, and maintain a network of connected wildlife habitat corridors.

Strategy 2.9.A - Conserve natural resources that have significant functions and values related to flood protection, sediment and erosion control, water quality, groundwater recharge and discharge, education, vegetation, and fish and wildlife habitat.

Finding: Controlling construction site runoff following the standards of OCMC 17.47, OCMC 13.12, and the Stormwater and Grading design standards allows for keeping our streams, rivers, and lakes clean. By ensuring our stormwater management facilities are not impacted by construction site runoff, we ensure those facilities provide the sustainability of natural resources and ecosystems. This code revisions sustains this standard.

III.c. OREGON STATEWIDE PLANNING GOALS***Statewide Planning Goal 1 – Citizen Involvement:***

This goal outlines the citizen involvement requirement for adoption of Comprehensive Plans and changes to the Comprehensive Plan and implementing documents.

Response: Requirements under Goal 1 are met by adherence to the applicable goals and policies of Section 1 of the OC 2040 Oregon City Comprehensive Plan and the citizen involvement processes required by the Oregon City Municipal Code, Chapter 17.50 – Administration and Procedures.

Statewide Planning Goal 2 – Land Use Planning:

This goal requires a land use planning process and policy framework as a basis for all decision and actions related to use of land and to assure an adequate factual base for such decisions and actions.

Finding: This goal outlines the land use planning process and policy framework, and is implemented through the applicable Goals and Policies in Section 2 of the Oregon City Comprehensive Plan: Land Use. The Oregon City Comprehensive Plan and Oregon City Municipal Code have been acknowledged by DLCD as being consistent with the statewide planning goals. The City has followed the land use planning process and policy framework established in the City's acknowledged comprehensive plan elements and Oregon City Municipal Code as a basis for all decision and actions related to the use of land and to assure an adequate factual basis for such decisions and actions.

Statewide Planning Goals 3 & 4: Agricultural Lands and Forest Lands

Response: These statewide planning goals relate to agricultural and forest lands in Oregon and are not applicable to these amendments. These amendments pertain to lands within City limits that is zoned for urban development. By definition, Oregon City does not have rural resource lands such as for agricultural or forest use within its city limits or UGB, and therefore, those goals are not applicable.

Statewide Planning Goal 5 – Natural Resources, Scenic and Historic Areas

Response: The City is currently in compliance with the Statewide Planning Goal 5. The amendments do not alter the City's acknowledged Goal 5 inventories or land use programs. No changes will occur directly to current natural resource or historic protections (OCMC 17.49, Natural Resource Overlay District, and OCMC 17.40, Historic Overlay District) because of these amendments; therefore, the amendments are in compliance with Goal 5. In areas subject to the Historic Overlay District, housing types permitted in the underlying zoning districts will be permitted consistent with OAR 660-046-0010(3)(B) and will require review and compliance with Historic Overlay District provisions.

Statewide Planning Goal 6: Air, Water, and Land Resources Quality

Response: Pursuant to OAR 660-015-0000(6), a Medium or Large City may limit development within an urban growth boundary to support attainment of federal and state air, water, and land quality requirements. Medium and Large Cities may apply regulations adopted pursuant to Goal 6 to the development of Middle Housing. The City is currently in compliance with Statewide Planning Goal 6. The amendments do not alter the City's acknowledged land use programs regarding water quality and flood management protections. As a result, the updates comply with Goal 6.

Statewide Planning Goal 7 – Areas Subject to Natural Hazards

Response: The City is currently in compliance with Goal 7 for geologic hazard areas by maintaining current development limitations and review requirements. Per OAR 660-046-0010(3)(c), cities may apply protective measures within Goal 7 areas including, but not limited to, restrictions on use,



density, and occupancy by limiting middle housing types, in order to reduce risk to people and property from natural hazards.

Statewide Planning Goal 11: Public Facilities and Services

To plan and develop a timely, orderly, and efficient arrangement of public facilities and services to serve as a framework for urban and rural development.

Response: Goal 11 requires the City to plan and develop a timely, orderly, and efficient arrangement of public facilities and services to serve as a framework for urban and rural development. Pursuant to OAR 660-011-0020(2), a public facility plan must identify significant public facility projects which are to support the land uses designated in the acknowledged comprehensive plan.

Statewide Planning Goal 12: Transportation

To provide and encourage a safe, convenient, and economic transportation system.

Statewide Planning Goal 13: Energy Conservation

Land and uses developed on the land shall be managed and controlled so as to maximize the conservation of all forms of energy, based on sound economic principles.

Response: Goal 13 regarding energy conservation is not applicable because the City's acknowledged regulations implementing Goal 13 remain unaffected by the proposed amendments.

Statewide Planning Goal 14: Urbanization

To provide for an orderly and efficient transition from rural to urban land use, to accommodate urban population and urban employment inside urban growth boundaries, to ensure efficient use of land, and to provide for livable communities.

Response: Goal 14 requires cities to estimate future growth rates and patterns, and to incorporate, plan, and zone enough land to meet the projected demands. The amendments do not repeal, replace, or void existing code provisions regarding annexation. Therefore, the code amendments are consistent with Goal 14.

Statewide Planning Goal 15: Willamette River Greenway

To protect, conserve, enhance and maintain the natural, scenic, historical, agricultural, economic and recreational qualities of lands along the Willamette River as the Willamette River Greenway.

Response: Statewide Planning Goal 15 requires cities to adopt local greenway plans, along with criteria for new development, new uses, and the increase of use along the river. Section 15 – Willamette River Greenway of the Oregon City Comprehensive Plan establishes goals and policies that provide a basis for an overlay zone in Title 17 of the City of Oregon City Municipal Code, namely



OCMC 17.48 – WRG Willamette River Greenway Overlay District. The proposed code amendments to not change any regulations within Chapter 17.48.

Statewide Planning Goals: 16 Estuarine Resources; 17 Coastal Shorelands; 18 Beaches and Dunes; 19 Ocean Resources

Response: Statewide planning Goals 16-19 relate to coastal lands in Oregon, which are not applicable within the planning jurisdiction of the City of Oregon City and are not applicable to the amendments.

VII. DECISION-MAKING CRITERIA

The remainder of this staff report provides additional findings to demonstrate that the proposed annexation code amendments are consistent with applicable approval criteria.

CHAPTER 17.50 ADMINISTRATION AND PROCEDURES

17.50.050 – Pre-application conference.

- A. *Pre-application Conference. Prior to a Type II – IV or Legislative application, excluding Historic Review, being deemed complete, the applicant shall schedule and attend a pre-application conference with City staff to discuss the proposal, unless waived by the Community Development Director. The purpose of the pre-application conference is to provide an opportunity for staff to provide the applicant with information on the likely impacts, limitations, requirements, approval standards, fees and other information that may affect the proposal.*
- 1. To schedule a pre-application conference, the applicant shall contact the Planning Division, submit the required materials, and pay the appropriate conference fee.*
 - 2. At a minimum, an applicant should submit a short narrative describing the proposal and a proposed site plan, drawn to a scale acceptable to the City, which identifies the proposed land uses, traffic circulation, and public rights-of-way and all other required plans.*
 - 3. The Planning Division shall provide the applicant(s) with the identity and contact persons for all affected neighborhood associations as well as a written summary of the pre-application conference.*
- B. *A pre-application conference shall be valid for a period of six months from the date it is held. If no application is filed within six months of the conference or meeting, the applicant shall schedule and attend another conference before the City will accept a permit application. The Community Development Director may waive the pre-application requirement if, in the Director's opinion, the development has not changed significantly and the applicable municipal Code or standards have not been significantly amended. In no case shall a pre-application conference be valid for more than one year.*
- C. *Notwithstanding any representations by City staff at a pre-application conference, staff is not authorized to waive any requirements of this Code, and any omission or failure by staff to recite to an applicant all relevant applicable land use requirements shall not constitute a waiver by the City of any standard or requirement.*

Finding: Staff held the required pre-application conference meeting in August 2024.

17.50.055 - Neighborhood association meeting.

Neighborhood Association Meeting. The purpose of the meeting with the recognized neighborhood association is to inform the affected neighborhood association about the proposed development and to



receive the preliminary responses and suggestions from the neighborhood association and the member residents.

- A. Applicants applying for annexations, zone change, comprehensive plan amendments, conditional use, Planning Commission variances, subdivision, or site plan and design review (excluding minor site plan and design review), general development master plans or detailed development plans applications shall schedule and attend a meeting with the City-recognized neighborhood association in whose territory the application is proposed no earlier than one year prior to the date of application. Although not required for other projects than those identified above, a meeting with the neighborhood association is highly recommended.
- B. The applicant shall request via email or regular mail a request to meet with the neighborhood association chair where the proposed development is located. The notice shall describe the proposed project. A copy of this notice shall also be provided to the chair of the Citizen Involvement Committee.
- C. A meeting shall be scheduled within thirty days of the date that the notice is sent. A meeting may be scheduled later than thirty days if by mutual agreement of the applicant and the neighborhood association. If the neighborhood association does not want to, or cannot meet within thirty days, the applicant shall host a meeting inviting the neighborhood association, Citizen Involvement Committee, and all property owners within three hundred feet to attend. This meeting shall not begin before six p.m. on a weekday or may be held on a weekend and shall occur within the neighborhood association boundaries or at a City facility.
- D. If the neighborhood association is not currently recognized by the City, is inactive, or does not exist, the applicant shall request a meeting with the Citizen Involvement Committee.
- E. To show compliance with this section, the applicant shall submit a copy of the email or mail notice to the neighborhood association and CIC chair, a sign-in sheet of meeting attendees, and a summary of issues discussed at the meeting. If the applicant held a separately noticed meeting, the applicant shall submit a copy of the meeting flyer, postcard or other correspondence used, and a summary of issues discussed at the meeting and submittal of these materials shall be required for a complete application.

Finding: Public works Staff presented the amendments to the Citizen Involvement Committee on October 7, 2024.

17.50.070 - Completeness review and one hundred twenty-day rule.

Finding: Staff submitted the Land Use Application on 9/19/2024. The Application was deemed Complete on 9/23/2024. Legislative actions are not subject to the 120-day deadline.

CHAPTER 17.68 ZONING CHANGES AND COMPREHENSIVE PLAN AMENDMENTS

17.68.010 - Initiation of the amendment.

A text amendment to the Comprehensive Plan, or an amendment to the zoning code or map or the Comprehensive Plan map, may be initiated by:

- A. A resolution request by the City Commission;
- B. An official proposal by the Planning Commission;
- C. An application to the Planning Division; or.
- D. A Legislative request by the Planning Division.

All requests for amendment or change in this title shall be referred to the Planning Commission.

Applicant's Response: The Oregon City Public Works Department has made a Land Use Application on 9/19/2024 to the Planning Division.

17.68.015 –Procedures.

Applications shall be reviewed pursuant to the procedures set forth in Chapter 17.50.

17.68.020 - Criteria.

The criteria for comprehensive plan amendment or text or map amendment in the zoning code are set forth as follows:

- A. The proposal shall be consistent with the applicable goals and policies of the comprehensive Plan;*

Finding: The proposal is consistent with the applicable goals, policies and strategies of the OC2040 Comprehensive Plan that were addressed earlier in this report. As the existing Erosion and Sediment Control code is consistent with the goals and policies of the comprehensive plan, this code revision retitling these standards to Construction Site Runoff sustains the consistency with the goals and policies of the comprehensive plan. This application is for a zoning text amendment only there are no proposed change to zones or comprehensive plan designations.

- B. That public facilities and services (water, sewer, storm drainage, transportation, schools, police and fire protection) are presently capable of supporting the uses allowed by the zone or plan amendment, or can be made available prior to issuing a certificate of occupancy. Service shall be sufficient to support the range of uses and development allowed by the zone or plan amendment;*

Finding: This code revision further enhances the maintenance of public facilities and services by controlling construction runoff in addition to erosion and sediment control.

- C. The land uses authorized by the proposal are consistent with the existing or planned function, capacity and level of service of the transportation system serving the proposed zoning district or plan amendment; and*

Finding: This code revision further enhances the maintenance of public facilities and services by controlling construction runoff in addition to erosion and sediment control.

- D. Statewide planning goals shall be addressed if the comprehensive Plan does not contain specific policies or provisions which control the amendment.*

Finding: The proposal is consistent with the applicable Statewide Planning Goals that were addressed earlier in this report. As the existing Erosion and Sediment Control code is consistent with the Statewide Planning Goals, this code revision retitling these standards to Construction Site Runoff is consistent with the relevant Statewide Planning Goals.



17.68.025 - Zoning for land annexed into the City.

Upon annexation into the City, the property shall be rezoned from County zoning to the corresponding City zoning designation as identified in Table 17.06.030, provided the criteria for a zone change can be met.

Finding: Zoning is not impacted by this code revision. No annexation is proposed.

17.68.040 - Approval by the Commission.

If the Planning Commission finds that the request or application for an amendment, or change, complies with the criteria of OCMC 17.68.020, it shall forward its findings and recommendation to the City Commission for action thereon by that body.

Finding: On November 18, 2024, the Planning Commission voted 6-0 in favor of recommending the amendments to OCMC 17.47 for Erosion and Sediment Control, as presented, to the City Commission.

On December 4, 2024, the City Commission approved the amendments to OCMC 17.47 for Erosion and Sediment Control as proposed for a First Reading.

17.68.050 - Conditions.

In granting a change in zoning classification to any property, the Commission may attach such conditions and requirements to the zone change as the Commission deems necessary in the public interest and such conditions and restrictions shall thereafter apply to the zone change or map amendment.

Finding: Zoning is not impacted by this code revision.

17.50.170 - Legislative hearing process.

A. Purpose. Legislative actions involve the adoption or amendment of the city's land use regulations, comprehensive plan, maps, inventories and other policy documents that affect the entire city or large portions of it. Legislative actions which affect land use shall begin with a public hearing before the planning commission.

B. Planning Commission Review.

1. Hearing Required. The planning commission shall hold at least one public hearing before recommending action on a legislative proposal. Any interested person may appear and provide written or oral testimony on the proposal at or prior to the hearing. The community development director shall notify the Oregon Department of Land Conservation and Development (DLCD) as required by the post-acknowledgment procedures of ORS 197.610 to 197.625, as applicable.

2. The Community Development Director's Report. Once the planning commission hearing has been scheduled and noticed in accordance with OCMC 17.50.090.C and any other applicable

laws, the community development director shall prepare and make available a report on the legislative proposal at least seven days prior to the hearing.

3. Planning Commission Recommendation. At the conclusion of the hearing, the planning commission shall adopt a recommendation on the proposal to the city commission. The planning commission shall make a report and recommendation to the city commission on all legislative proposals. If the planning commission recommends adoption of some form of the proposal, the planning commission shall prepare and forward to the city commission a report and recommendation to that effect.

C. City Commission Review.

1. City Commission Action. Upon a recommendation from the planning commission on a legislative action, the city commission shall hold at least one public hearing on the proposal. Any interested person may provide written or oral testimony on the proposal at or prior to the hearing. At the conclusion of the hearing, the city commission may adopt, modify or reject the legislative proposal, or it may remand the matter to the planning commission for further consideration. If the decision is to adopt at least some form of the proposal, and thereby amend the city's land use regulations, comprehensive plan, official zoning maps or some component of any of these documents, the city commission decision shall be enacted as an ordinance.

2. Notice of Final Decision. Not later than five days following the city commission final decision, the community development director shall mail notice of the decision to DLCD in accordance with ORS 197.615(2).

Finding: On November 18, 2024, the Planning Commission voted 6-0 in favor of recommending the amendments to OCMC 17.47 for Erosion and Sediment Control, as presented, to the City Commission.

On December 4, 2024, the City Commission approved the amendments to OCMC 17.47 for Erosion and Sediment Control as proposed for a First Reading.

17.50.090 - Public notices.

C. Notice of Public Hearing on a Legislative Proposal. At least twenty days prior to a public hearing at which a legislative proposal to amend or adopt the city's land use regulations or comprehensive plan is to be considered, the community development director shall issue a public notice that conforms to the requirements of this subsection. Notice shall be sent to affected governmental entities, special districts, providers of urban services, including Tri-Met, Oregon Department of Transportation and Metro, any affected recognized neighborhood associations and any party who has requested in writing such notice. Notice shall also be published on the city website. Notice issued under this subsection shall include the following information: 1. The time, date and location of the public hearing; 2. The city-assigned planning file number and title of the proposal; 3. A description of the proposal in sufficient detail for people to determine the nature of the change



being proposed; 4. A statement that any interested party may testify at the hearing or submit written comments on the proposal at or prior to the hearing; and 5. The name and telephone number of the planning staff person responsible for the proposal and who interested people may contact for further information.

Finding: Public notice of this legislative proposal was provided to DLCD on September 23, 2024 in the form of a Post Acknowledgement Plan Amendment (PAPA). Public notice of the application submission was posted to the Projects page of the City website on October 3, 2024. Public Hearing Notices were emailed to stakeholders on October 3rd and 4th, as well.

As of December 9, 2024, no public comments have been received by Planning Staff related to this proposal.

VIII. RECOMMENDATION

Based on the findings in this report, staff recommended approval of amendments to OCMC 17.47 for Erosion and Sediment Control. On November 18, 2024, the Planning Commission voted 6-0 in favor of recommending the amendments to OCMC 17.47 for Erosion and Sediment Control, as presented, to the City Commission.

On December 4, 2024, the City Commission approved the amendments to OCMC 17.47 for Erosion and Sediment Control as proposed for a First Reading.

Staff has prepared Ordinance 24-1008 for the City Commission for its Second Hearing and adoption.

EXHIBITS:

1. Ordinance 24-1008
2. Proposed Code Amendments to Chapter 17.47
3. Redlines to Chapter 17.47
4. Public Comments
5. Letter from Josh Wheeler, Assistant City Engineer
6. October 7, 2024 CIC Presentation

Chapter 17.47 CONSTRUCTION SITE RUNOFF CONTROLS¹

17.47.010 Purpose.

- A. The purpose of this chapter is to require erosion prevention measures, sediment control, and waste materials control practices for all development during construction to prevent and restrict the discharge of sediments and construction site wastes, and to require final permanent erosion prevention measures, which may include landscaping, after development is completed. Erosion prevention techniques shall be designed to protect soil particles from the force of water and wind and other mechanical means so that they will not be transported from the site. Sediment and waste materials control measures shall be designed to capture construction site wastes, and capture soil particles after they have become dislodged by erosion and attempt to retain the soil particles on-site.
- B. The objective of these measures is to control, at the source, construction site wastes as well as waterborne and airborne erosion and the air and water pollution that results from such erosion mechanisms. This chapter recognizes that all non-point discharges eventually end up in surface water bodies. This chapter is intended to control water quality degradation from construction and development activities and it applies in addition to any other applicable provision of this Code, state or federal law. This chapter is not intended to serve as a guideline for stormwater management control measures for already constructed developments.

17.47.030 Applicability.

- A. This chapter, which may also be referred to as "construction site runoff controls" in this Code, applies to development that may cause discharge of construction site waste materials or the visible or measurable erosion on any property within the city limits of Oregon City.
- B. All development that results in 1,000 square feet of new or replaced impervious surface or 1,000 square feet of earth disturbance shall be subject to the construction site runoff controls requirements and the standards found within the Stormwater and Grading Design Standards as referenced in OCMC 13.12.
- CB. This chapter does not apply to work necessary to protect, repair, maintain or replace existing structures, utility facilities, roadways, driveways, accessory uses and exterior improvements in response to emergencies, provided that after the emergency has passed, adverse impacts are mitigated in accordance with applicable standards.

17.47.040 Abrogation and greater restrictions.

Where the provisions of this chapter are less restrictive or conflict with comparable provisions of the zoning ordinance, regional, state or federal law, the provisions that are more restrictive shall govern. Where this document imposes restrictions that are more stringent than regional, state and federal law, the provisions of this document shall govern. However, nothing in this chapter shall relieve any party from the obligation to comply with any applicable federal, state or local regulations or permit requirements.

¹Editor's note(s)—Ord. No. 08-1014, adopted July 1, 2009, repealed Chapter 17.47 in its entirety and enacted new provisions to read as herein set out. Prior to amendment, Chapter 17.47 similar subject matter. See Ordinance Disposition List for derivation.

17.47.050 Severability.

The provisions of this chapter are severable. If any section, clause or phrase of this chapter is adjudged to be invalid by a court of competent jurisdiction, the decision of that court shall not affect the validity of the remaining portions of this chapter.

17.47.060 Permit required.

The applicant must obtain an erosion and sediment control permit prior to, or contemporaneous with, the approval of an application for any building, land use or other city-issued permit that may cause visible or measurable erosion.

17.47.070 Erosion and sediment control plans.

- A. An application for an erosion and sediment control permit shall include an erosion and sediment control plan, which contains methods and interim measures to be used during and following construction to prevent or control construction site wastes and erosion prepared in compliance with City of Oregon City public works standards for erosion and sediment control. These standards are incorporated herein and made a part of this title and are on file in the office of the city recorder.
- B. Approval Standards. An erosion and sediment control plan shall be approved only upon making the following findings:
 - 1. The erosion and sediment control plan meets the requirements of the City of Oregon City public works standards for construction site wastes and erosion and sediment control incorporated by reference as part of this chapter;
 - 2. The erosion and sediment control plan indicates that construction site wastes and erosion and sediment control measures will be managed and maintained during and following development. The erosion and sediment control plan indicates that construction site wastes and erosion and sediment control measures will remain in place until disturbed soil areas are permanently stabilized by landscaping, grass, approved mulch or other permanent soil stabilizing measures.
- C. The erosion and sediment control plan shall be reviewed in conjunction with the requested development approval. If the development does not require additional review, the manager may approve or deny the permit with notice of the decision to the applicant.
- D. The city may inspect the development site to determine compliance with the erosion and sediment control plan and permit.
- E. Erosion that occurs on a development site that does not have an erosion and sediment control permit, or that results from a failure to comply with the terms of such a permit, constitutes a violation of this chapter.
- F. If the manager finds that the facilities and techniques approved in an erosion and sediment control plan and permit are not sufficient to prevent erosion and the discharge of construction site wastes, the manager shall notify the owner or his/her designated representative. Upon receiving notice, the owner or his/her designated representative shall immediately install interim construction site wastes and erosion and sediment control measures as specified in the City of Oregon City public works standards for erosion and sediment control. Within three days from the date of notice, the owner or his/her designated representative shall submit a revised erosion and sediment control plan to the city. Upon approval of the revised plan and issuance of an amended permit, the owner or his/her designated representative shall immediately implement the revised plan.

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- G. Approval of an erosion and sediment control plan does not constitute an approval of permanent road or drainage design (e.g., size and location of roads, pipes, restrictors, channels, retention facilities, utilities, etc.).

17.47.080 Plan implementation.

An approved erosion control and sediment control plan shall be implemented and maintained as follows:

- A. Plan approval, where required, shall be obtained prior to clearing or grading. No grading, clearing or excavation of land requiring a plan shall be undertaken prior to approval of the plan.
- B. The erosion and sediment control facilities shall be constructed prior to any clearing and grading activities, and maintained in such a manner as to ensure that sediment laden water does not enter the drainage system or violate applicable water standards.
- C. The implementation of an erosion and sediment control plan and the construction, maintenance, replacement, and upgrading of erosion and sediment control facilities is the responsibility of the owner or his/her designated representative until all construction is completed and approved, and vegetation, landscaping or approved finished surfaces is established.
- D. The erosion and sediment control facilities herein are the minimum requirements for anticipated site conditions. During the construction period, these construction site waste management controls and erosion and sediment control facilities shall be upgraded as needed for unexpected storm events and to ensure that sediment or pollutant-laden water does not leave the site.
- E. Any observation of visible or measurable discharges of construction site wastes or erosion, or an observation of more than a ten-percent increase in downstream channel turbidities, will result in an enforcement action by the city.
- F. The owner or his/her designated representative shall implement the measures and construct facilities as provided for and according to the implementation schedule in the approved plan. The manager shall be allowed reasonable access to the development site for inspection purposes.

17.47.090 Plan performance guarantee and security.

After the plan is approved by the manager and prior to construction or grading, the owner shall provide a financial guarantee. Management of construction site waste as well as erosion and sediment control shall be included in the cost estimate for the primary project, such as land division or site plan, and included in that project's performance guarantee.

17.47.100 Correction of ineffective measures and enforcement.

- A. If the owner or his/her designated representative fails to follow the plan as approved by the manager or fails to submit a plan when one is required, the manager may, after inspecting the property, issue a stop work order halting all work on the development site until the requirements of the plan are met or implemented as applicable.

Accompanying the stop work order shall be a written statement or list from the manager specifying what is wrong and what steps the owner must take to bring the development into compliance. The stop work order shall not be lifted until mitigation measures are implemented that comply with Oregon City performance standards for erosion and sediment control and are approved by the manager.

- B. If the facilities and techniques in the approved plans are not effective or sufficient to meet the purposes of this chapter, based on an on-site inspection, the Manager may require a revision to the plan. Such

requirement shall be in writing and shall explain the problem and suggested measures to remedy the problem. The notice shall be presented to the owner and any other responsible parties.

1. The revised plan shall be provided within three business days of when written notification by the manager is received. Receipt of such notice shall be deemed complete three days after simultaneous regular mail and certified mail is deposited in the mail.
 2. The owner or his/her designated representative shall implement fully the revised plan within three business days of receipt of the revised plan as provided in the previous subdivision, or within such other time frame as the manager may specify.
 3. In cases where significant erosion is occurring, the manager may require the owner or his/her designated representative to install immediately interim control measures before submittal of revised plan.
 4. If there is a confirmed or imminent threat of significant off-site erosion, or the offsite discharge of construction site wastes, the manager shall issue a stop work order, upon issuance of which work on the development site shall halt. The stop work order shall not be lifted until mitigation measures are implemented that comply with Oregon City performance standards for construction site runoff control and are approved by the manager.
- C. Enforcement. Erosion that migrates off of a development site is considered to be a nuisance that threatens the health, safety and welfare of the citizens of Oregon City and is a violation of this chapter. Any owner who violates, or is responsible for a violation of this chapter or an approved plan, shall be subject to the enforcement procedures of this Code including by the code enforcement officer.

Chapter 17.47 ~~EROSION AND SEDIMENT CONTROL~~ CONSTRUCTION SITE RUNOFF CONTROLS¹

17.47.010 Purpose.

- A. The purpose of this chapter is to require erosion prevention measures ~~and~~ sediment control, ~~and waste materials control~~ practices for all development during construction to prevent and restrict the discharge of sediments ~~and construction site wastes~~, and to require final permanent erosion prevention measures, which may include landscaping, after development is completed. Erosion prevention techniques shall be designed to protect soil particles from the force of water and wind and other mechanical means so that they will not be transported from the site. Sediment ~~and waste materials~~ control measures shall be designed to capture ~~construction site wastes, and capture~~ soil particles after they have become dislodged by erosion and attempt to retain the soil particles on-site.
- B. The objective of these measures is to control, at the source, ~~construction site wastes as well as~~ waterborne and airborne erosion and the air and water pollution that results from such erosion mechanisms. This chapter recognizes that all non-point discharges eventually end up in surface water bodies. This chapter is intended to control water quality degradation from construction and development activities and it applies in addition to any other applicable provision of this Code, state or federal law. This chapter is not intended to serve as a guideline for stormwater management control measures for already constructed developments.

(Ord. No. 08-1014, §§ 1—3(Exhs. 1—3), 7-1-2009)

17.47.030 Applicability.

- A. This chapter, which may also be referred to as "~~erosion~~construction site runoff controls" in this Code, applies to development that may cause discharge of ~~construction site waste materials or the~~ visible or measurable erosion on any property within the city limits of Oregon City.
- B. ~~All development that results in 1,000 square feet of new or replaced impervious surface or 1,000 square feet of earth disturbance shall be subject to the construction site runoff controls requirements and the standards found within the Stormwater and Grading Design Standards as referenced in OCMC 13.12.~~
- CB. This chapter does not apply to work necessary to protect, repair, maintain or replace existing structures, utility facilities, roadways, driveways, accessory uses and exterior improvements in response to emergencies, provided that after the emergency has passed, adverse impacts are mitigated in accordance with applicable standards.

(Ord. No. 08-1014, §§ 1—3(Exhs. 1—3), 7-1-2009)

¹Editor's note(s)—Ord. No. 08-1014, adopted July 1, 2009, repealed Chapter 17.47 in its entirety and enacted new provisions to read as herein set out. Prior to amendment, Chapter 17.47 similar subject matter. See Ordinance Disposition List for derivation.

17.47.040 Abrogation and greater restrictions.

Where the provisions of this chapter are less restrictive or conflict with comparable provisions of the zoning ordinance, regional, state or federal law, the provisions that are more restrictive shall govern. Where this document imposes restrictions that are more stringent than regional, state and federal law, the provisions of this document shall govern. However, nothing in this chapter shall relieve any party from the obligation to comply with any applicable federal, state or local regulations or permit requirements.

(Ord. No. 08-1014, §§ 1—3(Exhs. 1—3), 7-1-2009)

17.47.050 Severability.

The provisions of this chapter are severable. If any section, clause or phrase of this chapter is adjudged to be invalid by a court of competent jurisdiction, the decision of that court shall not affect the validity of the remaining portions of this chapter.

(Ord. No. 08-1014, §§ 1—3(Exhs. 1—3), 7-1-2009)

17.47.060 Permit required.

The applicant must obtain an erosion and sediment control permit prior to, or contemporaneous with, the approval of an application for any building, land use or other city-issued permit that may cause visible or measurable erosion.

(Ord. No. 08-1014, §§ 1—3(Exhs. 1—3), 7-1-2009)

17.47.070 Erosion and sediment control plans.

- A. An application for an erosion and sediment control permit shall include an erosion and sediment control plan, which contains methods and interim measures to be used during and following construction to prevent or control **construction site wastes and** erosion prepared in compliance with City of Oregon City public works standards for erosion and sediment control. These standards are incorporated herein and made a part of this title and are on file in the office of the city recorder.
- B. Approval Standards. An erosion and sediment control plan shall be approved only upon making the following findings:
 - 1. The erosion and sediment control plan meets the requirements of the City of Oregon City public works standards for **construction site wastes and** erosion and sediment control incorporated by reference as part of this chapter;
 - 2. The erosion and sediment control plan indicates that **construction site wastes and** erosion and sediment control measures will be managed and maintained during and following development. The erosion and sediment control plan indicates that **construction site wastes and** erosion and sediment control measures will remain in place until disturbed soil areas are permanently stabilized by landscaping, grass, approved mulch or other permanent soil stabilizing measures.
- C. The erosion and sediment control plan shall be reviewed in conjunction with the requested development approval. If the development does not require additional review, the manager may approve or deny the permit with notice of the decision to the applicant.

-
- D. The city may inspect the development site to determine compliance with the erosion and sediment control plan and permit.
 - E. Erosion that occurs on a development site that does not have an erosion and sediment control permit, or that results from a failure to comply with the terms of such a permit, constitutes a violation of this chapter.
 - F. If the manager finds that the facilities and techniques approved in an erosion and sediment control plan and permit are not sufficient to prevent erosion and the discharge of construction site wastes, the manager shall notify the owner or his/her designated representative. Upon receiving notice, the owner or his/her designated representative shall immediately install interim construction site wastes and erosion and sediment control measures as specified in the City of Oregon City public works standards for erosion and sediment control. Within three days from the date of notice, the owner or his/her designated representative shall submit a revised erosion and sediment control plan to the city. Upon approval of the revised plan and issuance of an amended permit, the owner or his/her designated representative shall immediately implement the revised plan.
 - G. Approval of an erosion and sediment control plan does not constitute an approval of permanent road or drainage design (e.g., size and location of roads, pipes, restrictors, channels, retention facilities, utilities, etc.).

(Ord. No. 08-1014, §§ 1—3(Exhs. 1—3), 7-1-2009)

17.47.080 Plan implementation.

An approved erosion control and sediment control plan shall be implemented and maintained as follows:

- A. Plan approval, where required, shall be obtained prior to clearing or grading. No grading, clearing or excavation of land requiring a plan shall be undertaken prior to approval of the plan.
- B. The erosion and sediment control facilities shall be constructed prior to any clearing and grading activities, and maintained in such a manner as to ensure that sediment laden water does not enter the drainage system or violate applicable water standards.
- C. The implementation of an erosion and sediment control plan and the construction, maintenance, replacement, and upgrading of erosion and sediment control facilities is the responsibility of the owner or his/her designated representative until all construction is completed and approved, and vegetation, landscaping or approved finished surfaces is established.
- D. The erosion and sediment control facilities herein are the minimum requirements for anticipated site conditions. During the construction period, these construction site waste management controls and erosion and sediment control facilities shall be upgraded as needed for unexpected storm events and to ensure that sediment or pollutant-laden water does not leave the site.
- E. Any observation of visible or measurable discharges of construction site wastes or erosion, or an observation of more than a ten-percent increase in downstream channel turbidities, will result in an enforcement action by the city.
- F. The owner or his/her designated representative shall implement the measures and construct facilities as provided for and according to the implementation schedule in the approved plan. The manager shall be allowed reasonable access to the development site for inspection purposes.

(Ord. No. 08-1014, §§ 1—3(Exhs. 1—3), 7-1-2009)

17.47.090 Plan performance guarantee and security.

After the plan is approved by the manager and prior to construction or grading, the owner shall provide a financial guarantee. ~~Management of construction site waste as well as e~~Erosion and sediment control shall be included in the cost estimate for the primary project, such as land division or site plan, and included in that project's performance guarantee.

(Ord. No. 08-1014, §§ 1—3(Exhs. 1—3), 7-1-2009)

17.47.100 Correction of ineffective measures and enforcement.

- A. If the owner or his/her designated representative fails to follow the plan as approved by the manager or fails to submit a plan when one is required, the manager may, after inspecting the property, issue a stop work order halting all work on the development site until the requirements of the plan are met or implemented as applicable.

Accompanying the stop work order shall be a written statement or list from the manager specifying what is wrong and what steps the owner must take to bring the development into compliance. The stop work order shall not be lifted until mitigation measures are implemented that comply with Oregon City performance standards for erosion and sediment control and are approved by the manager.

- B. If the facilities and techniques in the approved plans are not effective or sufficient to meet the purposes of this chapter, based on an on-site inspection, the Manager may require a revision to the plan. Such requirement shall be in writing and shall explain the problem and suggested measures to remedy the problem. The notice shall be presented to the owner and any other responsible parties.
1. The revised plan shall be provided within three business days of when written notification by the manager is received. Receipt of such notice shall be deemed complete three days after simultaneous regular mail and certified mail is deposited in the mail.
 2. The owner or his/her designated representative shall implement fully the revised plan within three business days of receipt of the revised plan as provided in the previous subdivision, or within such other time frame as the manager may specify.
 3. In cases where significant erosion is occurring, the manager may require the owner or his/her designated representative to install immediately interim control measures before submittal of revised plan.
 4. If there is a confirmed or imminent threat of significant off-site erosion, ~~or the offsite discharge of construction site wastes~~, the manager shall issue a stop work order, upon issuance of which work on the development site shall halt. The stop work order shall not be lifted until mitigation measures are implemented that comply with Oregon City performance standards for ~~construction site runoff erosion and sediment~~ control and are approved by the manager.
- C. Enforcement. Erosion that migrates off of a development site is considered to be a nuisance that threatens the health, safety and welfare of the citizens of Oregon City and is a violation of this chapter. Any owner who violates, or is responsible for a violation of this chapter or an approved plan, shall be subject to the enforcement procedures of this Code including by the code enforcement officer.

(Ord. No. 08-1014, §§ 1—3(Exhs. 1—3), 7-1-2009)

NOTICE OF PUBLIC HEARING

The City of Oregon City Planning Commission will hold a public hearing regarding the adoption of Ordinance Number 24-1008 (Planning File GLUA-24-000026 / LEG-24-00003 / ZC-24-00002) to consider the adoption of text amendments to Oregon City Municipal Code, Chapter 17.47. The City Commission will hold public hearings on the matter once the Planning Commission has made a recommendation.

When: 7:00 p.m., October 28, 2024

Where: Commission Chambers at the Robert Libke Public Safety Building, 1234 Linn Avenue, Oregon City 97045 and virtually unless otherwise noticed.

For a full copy of the proposal one week prior to hearings, visit www.orcity.org/meetings. Any interested party may testify at the hearings or submit written comments to jthaddaeus@orcitey.org at or prior to the public hearings while the record is open. Additional information may be found by calling (503) 722-3789.

FILE NUMBER: GLUA 24-000026 / LEG 24-00003 / ZC-24-00002

REQUEST: Amendments to the Oregon City Municipal Code, Chapter 17.47 – Erosion and Sediment Control for compliance with Oregon DEQ regulations related to the City’s Municipal Separate Storm Sewer System (MS4) permit.

PROJECT PAGE:

<https://oregoncity.teammunicode.com/communitydevelopment/project/glue-24-00026-leg-24-00003-zc-24-00002>

CONTACT PERSON: Jude Thaddaeus, Assistant Planner (503) 722-3789 or jthaddaeus@orcitey.org

CITY NEIGHBORHOOD ASSN: City Wide



CITY OF OREGON CITY

625 Center Street
Oregon City, OR 97045
503-657-0891

Staff Report

To:	City Commission	Agenda Date:	December 18, 2024
From:	Pete Walter, Planning Manager Aquilla Hurd-Ravich, Community Development Director		

SUBJECT:

First Reading of Ordinance No. 24-1010, Park Place Concept Plan Code Amendments (LEG-24-01)

STAFF RECOMMENDATION:

Review the analysis and findings and attached materials and approve the first reading of Ordinance # 24-1010, adopting the proposed amendments.

EXECUTIVE SUMMARY:

At the December 4th meeting the City Commission made some changes to the proposed amendments and directed staff to return with revised drafts for a few code chapters. The Planning Commission completed their review of the proposed code amendments, and recommended their approval to the City Commission on October 28. The Park Place Concept Plan (PPCP) was adopted through Legislative File 08-01 in 2008. At that time the Oregon City Municipal Code was amended to implement the principles of the concept plan. Since then, land use regulations in the State of Oregon have changed and the City reviewed its first land use application in the concept plan area. That review illuminated some of the areas in the code that needed refining 16 years after the initial adoption of the concept plan.

BACKGROUND:

These code amendments are the result of several factors, including a LUBA remand of a master plan application requiring that the City only review the application using clear and objective approval criteria, changes in Statewide housing laws, and to fully implement the principal Key Elements of the Park Place Concept Plan.

City Commission directed revisions

On December 4, 2024, the Commission directed changes to the following sections of the draft code. Staff has made the changes and attached the revised drafts.

- 16.12.026 - Alleys

Removed the alley requirement for the Park Place Concept Plan except when abutting a collector or arterial road. Included cross references to existing sections that regulate vehicle access in 16.12.022 and 16.12.035.

- 17.21.090 Residential Design - Garage Orientation.

Removed the front-loaded garage restriction from the Residential Design - Garage Orientation section in section 17.21.090, however, retain the restriction on front loaded garages when abutting a collector or arterial road and across the street from a public park. Also, this no longer requires detached garages.

- 17.08.055(C)(3) - Low Density Residential Districts - Park Place Concept Plan - Perimeter Transition

Removed the allowance for a 20% lot size reduction for lots in the PPCP transition areas for the low density residential zones.

- 17.10.080(C)(3) - Medium Density Residential Districts - Park Place Concept Plan - Perimeter Transition

Removed the allowance for a 20% lot size reduction for lots in the PPCP transition areas for the medium density residential zones.

- 17.24.020(A)(14) - Neighborhood Commercial District - Permitted Uses

Changed "pet hospital" to "veterinary hospital" in the permitted uses section.

- 17.24.025(J). - Neighborhood Commercial District - Conditional Uses

Removed "veterinary clinic or hospital" from the conditional uses section.

- 17.04 - Definitions

- Removed the definition for "kennel". This definition is in Chapter 6.04 - Dogs.

- Revised the definition for "deck" to include a cross-reference to the setback exceptions in section 17.54.030, which states that uncovered decks or porches with a height of less than thirty inches from grade are exempt from setback standards.

Why are the alley requirements and the front load and detached garage restrictions removed?

Based on further analysis and direction from City Commission to review this standard, staff is proposing to remove the alley requirement in 16.12 and 17.21 and only retain the prohibition on front loaded garages when a lot fronts a collector street or is across the street from a public park. Analysis of slope information from GIS staff indicates that even the flattest portions of the developable areas of the PPCP are surrounded by steeper slopes or the Natural Resource Overlay District (NROD) or both and will still require significantly more cut-and-fill to achieve grades to construct alleys, adding to engineering and housing costs. Also, commissioners pointed out that the use of alleys does not guarantee a walkable, vibrant pedestrian-friendly streetscape. Access control and driveway restrictions requiring alleys would still be regulated when abutting collector or higher classification roads, per existing Public Improvement standards in OCMC 16.12.022 and 16.12.035.

The simplest approach is to remove the alley requirement except for situations where lots abut collector or higher classification roads. This will maintain safety of driving conditions and bikes and pedestrians on these roads with fewer curb cuts and exiting vehicles.

Park Place Concept Plan implementation history

When the PPCP was adopted in 2008, the Oregon City Municipal Code (OCMC) was amended to implement the concept plan. The Park Place Concept Plan was implemented through Legislative File 08-01 which updated, revised, and added new code sections to OCMC, and adopted Comprehensive Plan designations for areas within the concept plan. Land in the North Village which has annexed to the City has a zoning designation of Neighborhood Commercial (NC), R-5 (Medium Density Residential), and R-10 (Low Density Residential). In 2008, OCMC 17.10 was amended to add a new R-5 zone district to allow for greater diversity of housing types. The existing Neighborhood Commercial zone district in OCMC 17.24 was refined to increase the number of permitted uses, restrict the size of stand-alone commercial buildings, and allow live-work units. Multi-family is allowed in Neighborhood Commercial and must either be on the second story or above or be set back 100 feet from the main street.

The PPCP was built principally on 11 Key elements:

1. Two primary north-south connections between Holcomb Boulevard and Redland Road (Swan Avenue and Holly Lane)
2. Two distinct mixed-use neighborhoods (North Village and South Village) that accommodate 1,459 new dwelling units
3. Neighborhood-oriented commercial nodes that integrate commercial land uses, residential land use, and public open space.
4. An area for a new civic institution, such as a library or community center
5. A mix of housing types and ranges of affordability
6. An extensive system of off-street and on-street trails and pedestrian/bicycle connections
7. Innovative, “green” on-site stormwater treatment methods
8. Protected sensitive areas, including drainages and steep slopes
9. Streets and buildings oriented for solar access
10. The use of green edges to define neighborhoods and buffer developments
11. Integration of parks and open spaces into existing and future neighborhoods

In 2008 some of these key elements were codified, some were implemented through design standards, while others were envisioned to be implemented by future zone changes. Following the adoption of the PPCP, multiple infrastructure master plans were updated and adopted and these plans accounted for growth and new development in Park Place for example the 2013 Transportation System Plan and the 2020 Stormwater and Grading Design Standards.

Changes in land use laws for housing

However, since 2008 the land use paradigm in Oregon has shifted and multiple new regulations apply. For example, HB 2001 Middle Housing mandates were adopted by the City in 2022 allowing duplex, triplex, quadplex, townhomes, and cottage clusters on lots in single family zones throughout the city. In 2017 Senate Bill 1051 changed the application of clear and objectives standards to apply to all housing development and not just needed housing. Discretionary standards are no longer applicable to any housing development regardless of the classification of “needed” housing. *(Needed housing means housing by affordability level, as described in ORS 184.453 (4), type, characteristics and location that is necessary to accommodate the city’s allocated housing need over the 20-year planning period in effect when the city’s housing capacity is determined. 197A.018).* Most recently, in 2024 SB 1537 requires jurisdictions to grant “mandatory adjustments” if a development meets certain thresholds.

Taking most of these changes into account since 2008, staff and Planning Commission endeavored to draft code that will more completely implement the 11 Key Elements while remaining clear and objective. The attached memorandum, entitled “Park Place Concept Plan Key Elements Integrating Clear and Objective Standards into Oregon City Municipal Code” dives more deeply into each of the Key Elements, how they were codified, and the proposed code revisions.

Staff drafted amendments to eight OCMC chapters through this code refinement process:

1. 16.12 Minium Public Improvements and Design Standards
2. 17.04 Definitions
3. 17.08 Low Density Residential Districts (R-10, R-8 and R-6)
4. 17.10 Medium Density Residential Districts (R-5 and R-3.5)
5. 17.21 Residential Standards- Park Place Concept Plan
6. 17.24 NC - Neighborhood Commercial District
7. 17.62 & 16.08 Site Plan and Design Review
8. 17.65 Master Plans

New draft code language for park and trail dedication is proposed in sections 17.62.061 and 16.08.43.

The Planning Commission held work sessions over the summer to review and discuss each code section from May 2024 through August 2024. Staff presented an overview and update to City Commission in May 2024 and August 2024. We presented to the CIC and Park Place Neighborhood Association in August and held the first evidentiary hearing on September 23, 2024. The hearing was continued to allow adequate time for the Planning Commission to review public comments until October 28, 2024 when they made a recommendation to the City Commission to approve the code amendments. If the Ordinance is approved tonight the second reading will be scheduled for January 7, 2025 and the code will go into effect 30 days later.

NEXT STEPS:

1. Approve the proposed code amendments as proposed and approve the first reading

of Ordinance No. 24-1010.

2. Approve the proposed code amendments with revisions and approve the first reading of Ordinance No. 24-1010.
3. Do not approve the proposed code amendments and provide direction.

OPTIONS:

N/A

ORDINANCE NO. 24-1010

AN ORDINANCE ADOPTING AMENDMENTS TO OREGON CITY MUNICIPAL CODE; TITLE 16: LAND DIVISIONS, AND TITLE 17: ZONING OF THE OREGON CITY MUNICIPAL CODE WITH CLEAR AND OBJECTIVE APPROVAL CRITERIA TO IMPLEMENT THE PARK PLACE CONCEPT PLAN

WHEREAS, the Park Place Concept Plan was adopted in 2008 as part of the Oregon City Comprehensive Plan by Ordinance 01-1007 and included implementing land division and zoning code amendments adopted by Ordinance 08-1014 and Ordinance 10-1003; and

WHEREAS, further refinements to the land division and zoning code are necessary in order to fully implement the Park Place Concept Plan and comply with State regulations for needed housing, including the requirement for clear and objective approval criteria; and

WHEREAS, the proposed code amendments were presented to the Citizen Involvement Committee on August 5, 2024 and the Park Place Neighborhood Association in August 19, 2024; **and**

WHEREAS, the Planning Commission reviewed and refined the proposed code amendments at work sessions on May 13, June 10, June 24, July 8, July 22, August 5, and August 12, 2024; and

WHEREAS, following Public Hearings on September 23 and October 28, 2024 the Planning Commission recommended approval of the proposed code amendments to the City Commission; and

WHEREAS, the City Commission reviewed the Planning Commission's recommended code amendments at Public Hearings on December 4 and December 18; and

WHEREAS, the proposed code amendments will assure a greater variety and diversity of housing, promote compatibility with existing Oregon City residential subdivisions, and assure that adequate parkland and trails are provided for new development within the Park Place Concept Plan;

NOW, THEREFORE, THE CITY OF OREGON CITY ORDAINS AS FOLLOWS:

Section 1. The City hereby amends the portions of the existing Oregon City Municipal Code Title 16: Land Divisions, And Title 17: Zoning Of The Oregon City Municipal Code; which are attached hereto as Exhibit 'A'.

Section 2. The Commission adopts the "Staff Report and Recommendation for Legislative File: GLUA 24-014 / LEG-24-01.

Ordinance No. 24-1010

Effective Date: _____

Page 1 of 2

Section 3. Severability. If any provision of this Ordinance or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of this Ordinance that can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable.

Section 4. Effectiveness. This Ordinance shall take effect on _____, 202__.

Read for the first time at a regular meeting of the City Commission held on the 4th day of December, 2024 and the City Commission finally enacted the foregoing Ordinance this 18th day of December, 2024.

Mayor Denyse McGriff

Attested to this _____ day of _____ 202__:

Approved as to legal sufficiency:

Jakob Wiley, City Recorder

City Attorney

Exhibits:

Exhibit A – Amended Sections of the Oregon City Municipal Code



REPORT DATE: November 27, 2024

FILE NO.: Legislative File: GLUA 24-013/LEG-24-01

APPLICANT: City of Oregon City – Planning Division
698 Warner Parrott Rd, Oregon City, Oregon 97045

REVIEWERS: Aquilla Hurd-Ravich, AICP, Community Development Director
Pete Walter, Planning Manager
Carrie Richter, Asst. City Attorney

REQUEST: Amend Title 17 – Zoning - of the Oregon City Municipal Code to include Clear and Objective Approval Criteria for Implementation of the Park Place Concept Plan

LOCATION: Park Place Concept Plan boundary located south of Holcomb Boulevard

RECOMMENDATION: **Adopt the proposed code amendments.**

17.50.170 - Legislative hearing process.

A. Purpose. Legislative actions involve the adoption or amendment of the city's land-use regulations, comprehensive plan, maps, inventories and other policy documents that affect the entire city or large portions of it. Legislative actions which affect land use must begin with a public hearing before the planning commission.

B. Planning Commission Review.

1. Hearing Required. The planning commission shall hold at least one public hearing before recommending action on a legislative proposal. Any interested person may appear and provide written or oral testimony on the proposal at or prior to the hearing. The community development director shall notify the Oregon Department of Land Conservation and Development (DLCD) as required by the post-acknowledgment procedures of ORS 197.610 to 197.625, as applicable.

2. The community development director's Report. Once the planning commission hearing has been scheduled and noticed in accordance with Section 17.50.090(C) and any other applicable laws, the community development director shall prepare and make available a report on the legislative proposal at least seven days prior to the hearing.

3. Planning Commission Recommendation. At the conclusion of the hearing, the planning commission shall adopt a recommendation on the proposal to the city commission. The planning commission shall make a report and recommendation to the city commission on all legislative proposals. If the planning commission recommends adoption of some form of the proposal, the planning commission shall prepare and forward to the city commission a report and recommendation to that effect.

C. City Commission Review.

- 1. City Commission Action. Upon a recommendation from the planning commission on a legislative action, the city commission shall hold at least one public hearing on the proposal. Any interested person may provide written or oral testimony on the proposal at or prior to the hearing. At the conclusion of the hearing, the city commission may adopt, modify or reject the legislative proposal, or it may remand the matter to the planning commission for further consideration. If the decision is to adopt at least some form of the proposal, and thereby amend the city's land-use regulations, comprehensive plan, official zoning maps or some component of any of these documents, the city commission decision shall be enacted as an ordinance.*
- 2. Notice of Final Decision. Not later than five days following the city commission final decision, the community development director shall mail notice of the decision to DLCD in accordance with ORS 197.615(2).*

IF YOU HAVE ANY QUESTIONS ABOUT THIS APPLICATION, PLEASE CONTACT THE PLANNING DIVISION OFFICE AT (503) 722-3789.

EXECUTIVE SUMMARY:

The Park Place Concept Plan (PPCP) was adopted through Legislative File 08-01 in 2008. At the time the Oregon City Municipal Code was amended to implement the principles of the concept plan. Since that time, land use regulations in the State of Oregon have changed and the City reviewed its first land use application in the concept plan area. That review illuminated some areas in code that need refining 16 years after the initial adoption of the concept plan.

The code updates incorporate guidance from the Planning commission and City Commission from May 2024 to the present, including six Planning Commission work sessions and several City Commission work session and hearings, as well as engagement with the Citizen Involvement Committee and the Park Place Neighborhood Association.

I. INTRODUCTION

This legislative proposal identifies and updates sections of the Oregon City Municipal Code that need revisions in order to refine and implement key elements from the Park Place Concept Plan (PPCP).

The 2008 Park Place Concept Plan identified 11 key elements:

1. Two primary north-south connections between Holcomb Boulevard and Redland Road (Swan Avenue and Holly Lane)
2. Two distinct mixed-use neighborhoods (North Village and South Village) that accommodate 1,459 new dwelling units
3. Neighborhood-oriented commercial nodes that integrate commercial land uses, residential land use, and public open space.
4. An area for a new civic institution, such as a library or community center
5. A mix of housing types and ranges of affordability
6. An extensive system of off-street and on-street trails and pedestrian/bicycle connections
7. Innovative, “green” on-site stormwater treatment methods

8. Protected sensitive areas, including drainages and steep slopes
9. Streets and buildings oriented for solar access
10. The use of green edges to define neighborhoods and buffer developments
11. Integration of parks and open spaces into existing and future neighborhoods

The code amendments affect the following sections of the Oregon City Municipal Code:

- Chapter 16.08 – Land Division Process and Standards –
- Chapter 16.12.026 – Street Standards – Alleys
- Chapter 17.04 – New Definitions
- Chapter 17.08 – Low Density Residential Districts
- Chapter 17.10 – Medium Density Residential Districts
- Chapter 17.21 – Residential Design Standards – Park Place Concept Plan Area
- Chapter 17.24 – Neighborhood Commercial District
- Chapter 17.62 – Site Plan and Design Review – Additional Public Park, Trail and Open Space Requirements in the Park Place Concept Plan Area
- Chapter 17.65- Master Plans and Planned Unit Developments

II. SUMMARY OF PUBLIC OUTREACH

The amendments are subject to the Type IV legislative process, which requires public notification and public hearings before the Planning Commission and City Council. This process has been established by the City and determined to be consistent with the City's acknowledged Citizen Involvement Program and Statewide Planning Goal 1. The public hearing notice of the action and decision, and the hearings on this case before the Planning Commission and City Council are all recognized as opportunities for citizen participation.

A public outreach process occurred during the development code amendment process that included:

- [Project website](#) created Summer 2024, with background information, public process timeline, and ways to connect with staff.
- Land use Measure 56 Postcard sent to all owners and residents within the Park Place Concept Plan project area boundary with informational links and the September 23, 2024, public hearing date.
- Legislative Planning Commission Public Hearing Notice sent to owners and residents within 300' of the Park Place Concept Plan project area boundary, with informational links and the September 23, 2024, public hearing date.
- June 13, 2024, Development Stakeholder Group Presentation

The Planning Commission and City Commission reviewed the zoning and code amendments for the Park Place Concept Plan Code Revisions over multiple meetings from May through August 2024. Comments and direction, as well as public comments, were tracked throughout the meetings, and topics were added to future meetings if new items were identified or had not been resolved. The following meetings were held to discuss the proposed legislative amendments:

- [City Commission Work Session May 7, 2024](#) - Overview of project approach
- [Planning Commission May 13, 2024](#) - Overview of code revisions
- [Planning Commission June 10, 2024](#) - Reviewed legal issues, key elements, and code revisions 17.04, 17.10, and 17.21
- [Planning Commission June 14, 2024](#) - Reviewed code revisions 17.21, 17.24, and 17.65 and reviewed an economic report-
- [Planning Commission July 8, 2024](#) - Code revisions 16.12.026, 17.08, 17.62 (Parks and Trails)
- [Planning Commission July 22, 2024](#) - Updated draft code
- [Planning Commission August 12, 2024](#) - Reviewed updated drafts of code for Neighborhood Commercial and Parks and Trails dedication
- [City Commission August 13, 2024](#) - Check-in and Direction

Community Meetings

- [Citizen Involvement Committee \(CIC\)- August 5, 2024](#)
- [Park Place Neighborhood Association Steering Committee - August 19, 2024](#)

Public Hearings:

- [First Public Hearing – Planning Commission - September 23, 2024](#)
- [Second Public Hearing – Planning Commission – October 28, 2024](#)
- [Third Public Hearing – City Commission – December 4, 2024](#)
- [Fourth Public Hearing – City Commission – December 18, 2024](#)
- [Fifth Public Hearing – City Commission \(tentative\) – January 15, 2024](#)

Public Comments

A public comment matrix and memoranda from staff dated October 17, 2024 and May 28, 2024 are attached as exhibits to this staff report. These materials provide a summary of the concerns raised during the public hearings and responds to these issues. The City Commission has reviewed these materials and adopts them, along with this staff report, as findings in support of this decision. In the event of any conflict between these exhibits and this report, this report will control.

III. DECISION-MAKING CRITERIA:

The remainder of this report details compliance of the proposed code amendments with the applicable state, regional and local requirements.

III.A DECISION-MAKING CRITERIA - CONTINUED:

CHAPTER 17.68 ZONING CHANGES AND AMENDMENTS

17.68.010 Initiation of the amendment.

A text amendment to the comprehensive plan, or an amendment to the zoning code or map or the comprehensive plan map, may be initiated by:

- A. A resolution request by the city commission;*
- B. An official proposal by the planning commission;*
- C. An application to the planning division; or*
- D. A Legislative request by the planning division.*

All requests for amendment or change in this title shall be referred to the planning commission.

Finding: This Legislative request for amendments to the Oregon City Municipal Code was initiated by the Planning Division.

17.68.015 - Procedures.

Applications shall be reviewed pursuant to the procedures set forth in Chapter 17.50.

Finding: Compliance with the procedures set forth in OCMC 17.50 are discussed after the findings for OCMC 17.68 – Zoning Changes and Amendments.

17.68.020 Criteria.

The criteria for a zone change are set forth as follows:

- A. The proposal shall be consistent with the goals and policies of the comprehensive plan.*

Finding: Findings for consistency with the most recently adopted Comprehensive Plan goals, policies and strategies follow later in this report. The City's current comprehensive plan was updated in December 2022¹ and refers to the Park Place Concept Plan as an Ancillary Document. The Park Place Concept Plan was originally adopted in 2008 along with numerous code amendments to implement the plan.

- B. That public facilities and services (water, sewer, storm drainage, transportation, schools, police and fire protection) are presently capable of supporting the uses allowed by the zone or can be made available prior to issuing a certificate of occupancy. Service shall be sufficient to support the range of uses and development allowed by the zone.*

Finding: The development of area envisioned in the Park Place Concept Plan area has already been included in updates to the city's Ancillary Documents to the Comprehensive Plan, including amendments to the various public facilities plans for water, sewer, storm drainage, transportation, schools, police and fire protection. The capacity of the respective public facilities and services to support the proposal is not affected by the proposed code amendments. The criterion requires that public utilities and services be either currently adequate, or will be constructed in advance of development, or will be constructed prior to an occupancy permit for any development within the

¹ Ord. No. 2022-1009, <https://ormswd.synergydcs.com/HPRMWebDrawer/Record/9620973>

concept plan area. The current updated Parks Master Plan also folds in anticipated needs for parks and recreation, which was adopted in 2024 and it is expected to be made part of the City's Comprehensive Plan in the near term. The city is limited by the U.S Constitution to only exact public improvements that are roughly proportional to the impacts of proposed development. Additional findings for adequacy of public facilities and services is also discussed in the findings for Statewide Planning Goal 11 since 2008.

Water, Sewer, & Storm Drainage

Goal 11 requires the City to plan and develop a timely, orderly, and efficient arrangement of public facilities and services to serve as a framework for urban and rural development. Pursuant to OAR 660-011-0020(2), a public facility plan must identify significant public facility projects which are to support the land uses designated in the acknowledged comprehensive plan.

Oregon City's wastewater collection and treatment, water distribution, and stormwater management facilities and services are governed by the following ancillary documents:

- City of Oregon City Sanitary Sewer Master Plan (2014)
- City of Oregon City Stormwater Master Plan (2020)
- City of Oregon City Water Master Plan (2021)

The above documents, together with Oregon City's Transportation System Plan from 2013 (TSP), are the City's acknowledged public facilities and transportation system plans that inform infrastructure investments (i.e., water, stormwater, wastewater, and transportation) in Oregon City. The TSP is addressed under the Goal 12 findings below. No changes to these plans are proposed in conjunction with this code update.

Transportation

Impacts to the transportation system are addressed under (C) below.

Schools, Police & Fire Protection

Impacts to police, fire protection, and schools are not anticipated by these code amendments.

C. The land uses authorized by the proposal are consistent with the existing or planned function, capacity and level of service of the transportation system serving the proposed zoning district.

Finding: The planned transportation system to serve the development envisioned in the Park Place Concept Plan was evaluated in 2008 when the concept plan was adopted and became an ancillary document to the Transportation System Plan. The Transportation System Plan (2013) also evaluated the concept plan and folded in the major transportation projects into that plan. No new uses are being proposed with these proposed code amendments. The zones do not change and the underlying comprehensive planning designations do not change either. No development is proposed

with this legislative amendment to create clear and objective standards. There are also no proposed changes to the 2013 Transportation System Plan.

For these reasons no additional impacts to transportation are anticipated as a result of these proposed amendments.

The extensions of Holly Lane and Swan Avenue are adopted in the 2013 Transportation System Plan (TSP). Holly Lane is adopted as Planned Minor Arterial and Swan Avenue is shown as a Planned Collector. Minor Arterial Roadways are intended to serve local traffic traveling to and from major arterial roadways. This classification provides greater accessibility to neighborhoods, often connecting to major activity generators and provide efficient through movement for local traffic. A Collector Roadway connects neighborhoods to minor arterial roadways.

Holly Lane is an adopted TSP project that connects Redland Rd to Holcomb Blvd. It is identified as project #D48 Holly Lane North Extension and described as a residential minor arterial with newly created street connections to Cattle Drive and Journey Drive. The funding priority is listed as "Long-term". Swan Avenue extension is also an adopted TSP project connecting Livesay Rd to Redland Rd and Redland to Morton Rd. These projects are identified as #D49 and #D50 and described as residential collectors. The funding priority is also "Long-term".

Long-term projects are those that are "likely to be implemented beyond 10 years from the adoption of [the TSP]. These projects are important for the development of the transportation network, but unlikely to be funded in the next 10 years [2023]". (TSP p63 Volume II 2 of 2)

Development can pay for a portion of these extensions where a rational nexus exists and in rough proportionality to the impact of development. Chapter 16.12 Minimum Public Improvements and Design Standards and specifically sections 16.12.010 and 16.12.011 would apply to any development paying for portions of or all of these road extensions.

OCMC Chapter 16.12.015 requires development to "provide any necessary dedications, easements or agreements as identified in the transportation system plan, trails master plan, and/or parks and recreation master plan and this chapter, subject to constitutional limitations." These limitations refer to established case law requiring rough proportionality and a rational nexus when requiring development to provide public improvements.

Known issues with this element of the PPCP are that all of the proposed Swan Lane and most of Holly Lane connections are outside of City limits currently and connect to roads in Clackamas County's jurisdiction. This is not unusual, since concept plans are required to be adopted for areas within a Metro city's UGB but which are outside of the current city limits. The expectation is that the roads in the concept plan will be constructed to city standards at the time of development, after annexation and rezoning within the city. However, there needs to be clear coordination and agreement between Clackamas County and Oregon City about how and when these roads are planned, funded and constructed. Clackamas County does not have these projects in their TSP and also does not have planned improvements on Redland Road that could handle additional trips. The County has not indicated if these projects will be considered in the next TSP Update.

The Planning Commission considered the following options:

1. Take no further action because the two connecting roads are adopted in the Oregon City TSP and will be constructed as development occurs.

2. When the TSP and CIP are updated in the next two years, reprioritize these important connections to be a short-term priority. Potentially invest SDC funding in the projects D48, D49, and D50.
3. Establish and codify a maximum number of trips that trigger construction of the full extent of roads and public improvements even when it is outside of the development area. If this option is considered, the trigger should be limited to the Park Place Concept Plan Area.

The Planning Commission consensus was to pursue option #2 and reprioritize the two projects from long-term to short-term. There was also discussion about participating in the County's Transportation System Plan in order to have these projects reflected in their plan. There was discussion about investigating a Zone of Benefit or a Local Improvement District to help fund these roads. Feedback also included looking to the Urban Growth Management Area agreement as a tool for how to plan and fund roads at the edges of the urban/rural interface.

Local Streets

The City Commission held a work session and received a report and a presentation from DKS, the city's transportation planning consultant to address community concerns regarding high traffic volumes on local designated streets due to new development.² A potential solution could be to adopt a local street maximum volume standard in the Oregon City Development Code which would apply to new development applications. This memo presents a background of local street standards, a summary of guidelines and standards applied in peer communities, and potential benefits and challenges to implementing a local street volume standard.

No new uses are being proposed with these proposed code amendments. The zones do not change and the underlying comprehensive planning designations do not change either. No development is proposed with this legislative amendment to create clear and objective standards. There are also no proposed changes to the 2013 Transportation System Plan.

For these reasons no additional impacts to transportation are anticipated as a result of these proposed amendments.

D. Statewide planning goals shall be addressed if the comprehensive plan does not contain specific policies or provisions which control the amendment.

Finding: Responses to the applicable statewide planning goals are addressed in Section III.C. of this report.

CHAPTER 17.50 ADMINISTRATION AND PROCEDURES

17.50.030 Summary of the City's Decision-Making Processes.

Finding: Complies as Proposed. This proposal is being reviewed pursuant to the required legislative process in OCMC 17.50.170.

² Report, *Oregon City Local Street Volume Standard Evaluation*, by Reah Flisakowski, PE, and Hallie Turk, EI, DKS Associates, August 9, 2024.

17.50.050 - Pre-application conference

A. Pre-application Conference. Prior to a Type II—IV or legislative application, excluding historic review, being deemed complete, the applicant shall schedule and attend a pre-application conference with city staff to discuss the proposal, unless waived by the community development director.

Finding: Complies as Proposed. This legislative amendment was initiated by staff in the Planning Division in response to City Commission consensus. Given that Planning staff are representing the City as the applicant and a pre-application conference is typically held by Planning staff it would not have made sense or provided any additional instruction for the applicant's representative to hold a pre-application conference with themselves; therefore the Community Development Director waived the pre-application requirement

17.50.055 Neighborhood Association Meeting

Finding: Complies as Proposed. This is a legislative application so there is no requirement for a meeting with affected neighborhood associations, however the project was presented to the Citizen Involvement Committee on August 5, 2024, and to the Park Place Neighborhood Association on August 19, 2024. See also findings for Statewide Planning Goal 1 later in this report.

17.50.060 Application Requirements.

Finding: Complies as Proposed. All application materials required are submitted with this narrative.

17.50.070 Completeness Review and 120-day Rule.

Finding: Complies as Proposed. This is a Legislative Decision, there is no 120-day deadline for making a final city decision.

17.50.080 Complete Application--Required Information.

Finding: Complies as Proposed. All application materials required are submitted with this narrative.

17.50.090 Public Notices.

Finding: Complies as Proposed. A Measure 56 Notice as required pursuant to ORS 227.186 was sent to all property owners within the Park Place Concept Plan (PPCP) area boundary and a legislative Land Use Notice was sent to all residents within 300' of the PPCP boundary. The city provided a notice to the Dept. of Land Conservation and Development (DLCD) of the proposed amendments 35 days prior to the first evidentiary hearing. The Land Use Notice was posted on the Oregon City project website. Staff provided an email transmittal of the proposal and notice to affected agencies, and to all Neighborhood Associations requesting comment, including the Park Place Neighborhood Association, active County Community Planning Organizations, and Beavercreek Hamlet.

Staff is maintaining a list of public comments received to date which is attached to the record for this proposal.

17.50.100 Notice Posting Requirements.

Finding: Complies as Proposed. No signs were posted as there was not a limited number of affected properties for this proposed Legislative amendment.

17.50.170 – Legislative hearing process

Finding: Complies as Proposed. This proposal is being reviewed pursuant to the required legislative process in OCMC 17.50.170.

III.B. OREGON CITY COMPREHENSIVE PLAN GOALS AND POLICIES AND STRATEGIES

Consistency of the proposed code amendments with the applicable goals, policies and strategies from the OC2040 Comprehensive Plan are addressed below.

OC2040 CHAPTER 1: HEALTHY AND WELCOMING COMMUNITIES

GOAL 1 Implement and maintain a community engagement program that provides broad and inclusive opportunities for all Oregon City community members to learn about and understand city government processes, including land use planning, and participate meaningfully in decisions that impact their communities.

STRATEGY 1.1.A Utilize neighborhood associations as the vehicle for neighborhood-based input to meet the requirements of the Land Conservation and Development Commission (LCDC) Statewide Planning Goal 1, Citizen Involvement. The Citizen Involvement Committee (CIC) shall serve as the officially recognized citizen committee needed to meet LCDC Statewide Planning Goal 1.

POLICY 1.2 Actively seek input from a diverse range of participants and enhance engagement opportunities for community members with barriers (language, disability, income, age, technology) through services and methods that bolster inclusive participation.

POLICY 1.4 Utilize innovative forms of communication technology to enhance the City's public engagement efforts.

STRATEGY 1.4.A Explore meaningful engagement techniques and tools that allow for multiple forms of public engagement through in person events, on-line tools, and hybrid options.

POLICY 1.5 Provide on-going education to the community regarding land use projects and processes and ensure clear communication about when and how to be involved at key points in the process.

STRATEGY 1.5.A Notify citizens about community involvement opportunities when they occur.

POLICY 1.6 Include nearby communities in public engagement efforts, where appropriate, to provide an outside perspective to Oregon City land use planning.

STRATEGY 1.6.A Develop a program for reaching out to representatives of nearby communities such as the City of West Linn, City of Gladstone, recognized Hamlets or Villages in Clackamas County, and Community Planning Organizations in unincorporated Clackamas County to participate in public planning processes on regional issues.

Finding: The proposal is consistent with these goals, policies and strategies. The project provided several opportunities for citizen involvement, including staff presentations to the Citizen Involvement Committee, the Development Stakeholder Group, and the Park Place Neighborhood Association. Informational resources were provided to the general public and interested members of the public through the project website. The Holcomb-Outlook Community Planning Organization is not currently active, however notice was provided to the Hamlet of Beavercreek.

The Planning Commission met six times prior to the beginning of the legislative public hearing process to review the proposed code amendments, with public comment permitted. Additionally, a Measure 56 postcard was sent to all property owners and residents within the City's urban growth boundary. Meetings were held with the City Commission and Planning Commission and citizens were notified of these meetings.

A project update form and public comment portal set up on the project webpage <https://www.oregoncity.org/1452/Park-Place-Concept-Plan-Code-Revisions> received several sign-ups and comments as well.

Public notices were provided pursuant to OCMC 17.50.090 *Public Notices* as discussed above. Further opportunities for public input on the proposed amendment is provided through the legislative public hearing process.

GOAL 2 Acknowledge, protect, enhance, and commemorate Oregon City's historic, artistic, and cultural resources.

STRATEGY 2.3.A Promote the designation of qualifying properties outside Historic and Conservation Districts as historic.

STRATEGY 2.3.C Encourage property owners to preserve historic structures in a state as close to their original construction as possible while allowing the structure to be used in an economically viable manner.

Finding: The proposal is consistent with these goals, policies and strategies. There are several potentially eligible historic structures within the concept plan area on properties not yet annexed to the city. At the time of annexation these properties will be considered in more detail. The process of designating historic districts and structures is codified in OCMC 17.40. The city provides

notice of potential ground disturbing activities that might impact cultural or archeological resources early in the development review process to SHPO and tribal cultural resources staff through codified procedures.

GOAL 3 Strengthen wellbeing, quality of life, and livability across all Oregon City neighborhoods by creating places that are safe and comfortable with convenient access to community services.

POLICY 3.1 Support the City's network of community-based organizations, programs, and centers that provide services for Oregon City residents.

STRATEGY 3.4.A Allow and encourage the development of small retail centers in residential neighborhoods that provide goods and services for local residents and workers.

Finding: The proposal is consistent with these goals, policies and strategies. The PPCP envisions walkable neighborhoods with housing choices that have proximity to goods, services and amenities, discussed in more detail below.

Neighborhood Commercial Zone

PPCP Key Elements include two distinct mixed-use neighborhoods (North Village and South Village) that accommodate 1,459 new dwelling units, neighborhood-oriented commercial nodes that integrate commercial land uses, residential land use, and public open space, and an area for a new civic institution, such as a library or community center.

OCMC 17.24.060 adds more detail to allow civic uses within the NC zone subject to applicable site plan and design review without a conditional use permit. 17.24.060. Additional civic uses permitted include non-profit and private uses such as art galleries, museums, indoor and outdoor music and theatre venues, childcare facilities, health and fitness clubs, clubs and lodges, mobile food units, and outdoor markets that are operated on the weekends and after six p.m. on weekdays.

OC2040 CHAPTER 2: DIVERSE ECONOMY

GOAL 1 Provide opportunities for a variety of goods, services, and employment options to work toward a dynamic, ecologically sound, and socially equitable economy.

POLICY 1.3 Support retention and expansion of local businesses, as well as recruitment of new businesses, across a variety of sizes and types

STRATEGY 1.6.D Encourage private development of tourism related uses such as: hotel, bed and breakfast, restaurant facilities and other visitor services.

Finding: The proposal is consistent with these goals, policies and strategies. The PPCP envisions neighborhood-oriented commercial nodes that integrate commercial land uses, residential land uses, and public open space.

Neighborhood Commercial zoning is codified through 17.24 and the comprehensive plan has identified two areas of Mixed-Use Corridor in the Concept Plan where NC will be applied when annexed to the City. NC uses include commercial, residential, and parks. Additionally, there is a maximum allowable residential use of 50% of square footage on any one site which ensures that residential uses cannot be the predominant building type in the NC area.

The uses envisioned to make up the Livesay Main Street, small scale commercial businesses, a civic building, and a park or Village Green, in the North Village are permitted uses in Neighborhood Commercial. The South Village also envisioned a small Neighborhood Commercial node with a park. Main street design standards are codified in 17.62.055 as described in the original Park Place land use implementation appendix. Including store front windows, street-level entrances, streetscape elements such as weather protection and street trees, and restrictions on mid-block driveways to ensure an attractive, walkable environment.

In March 2024, staff requested a market analysis of the Neighborhood Commercial area in the North Village from the firm Johnson Economics. The analysis indicates this area is “expected to be limited to tenants serving the local community, largely residents south of Holcomb and north Redland roads.” The analysis goes on to estimate that commercial demand “will need a substantive amount of planned residential development to be completed, as well as the Holly Road connection between Holcomb and Redlands before commercial development is viewed as viable at the site.” See analysis from Jerry Johnson of Johnson Economics with further details about what type of commercial uses might locate in the area.

NC zone already restricts residential use to 50% of the total building square footage on site and a single commercial building is limited to 10,000 square feet. The City Commission directed removing the percentage restriction as it could become cumbersome to enforce and implement; however, a new restriction is added to prohibit residential on the ground floor of any building in the NC zone abutting Livesay Road.

The Live/Work dwellings sections were also modified to clarify those uses and structures are subject only to 17.20.040 and the cap on residential use does not apply.

Various non-regulatory approaches exist to promote the economic viability of the NC zone within the Park Place Concept Plan including urban renewal, various grant programs, local improvement districts and tax credits through the state.

The size of off-site storm water facilities and parks land improvements are proposed to have restrictions that would only apply to NC in Park Place area. The size restrictions were added to protect the commercial land.

Revisions are proposed to 17.24.060 Neighborhood Commercial to include additional standards for the Park Place Concept Plan area. Residential uses are limited to upper floors of building and cannot be located on ground floors. Additional standards for landscaping, setbacks, residential uses, and parking are included. Building entrances and architectural standards are proposed to create an urban design aesthetic that supports a main street type development. Features such as locating

entrances near the corner of a building and incorporating elements such as height or massing, cupolas, turrets, or pitched roofs. Proposed requirement to cut the corner of a building and include weather protection, special paving materials, street furnishing, plantings. Architectural features such as increased windows and glazing and canopies and overhangs are intended to create visual interest at the street level. Proposed code also includes specificity about materials, streetscape trees, lighting, seating, signage, and awnings.

GOAL 2 Provide housing options, including both rental and ownership opportunities, that are attainable for the full range of Oregon City households.

POLICY 2.1 Plan for housing supply that supports and implements the recommendations of the current Housing Needs Analysis.

POLICY 2.2 Ensure that land use designations and zoning code provisions allow and encourage a wide range of housing types.

STRATEGY 2.2.A Designate residential land for a balanced variety of densities and types of housing, such as single- family attached and detached, and a range of multi-family densities and types, including mixed- use development.

POLICY 2.3 Support retention of existing homes and opportunities for community members to “age in place”.

POLICY 2.5 Support development of subsidized and affordable housing.

STRATEGY 2.5.A Aim to reduce the isolation of income groups within communities by encouraging diversity in housing types within neighborhoods consistent with the Clackamas County Consolidated Plan, while ensuring that needed affordable housing is provided.

STRATEGY 2.5.B Retain affordable housing potential by evaluating and restricting the loss of land reserved or committed to residential use. When considering amendments to the Comprehensive Plan Land- Use Map, ensure that potential loss of affordable housing is mitigated.

STRATEGY 2.5.C Allow increases in residential density (density bonuses) for housing development that would be affordable to Oregon City residents earning less than 50 percent of the median income for Oregon City.

STRATEGY 2.5.D Investigate variable System Development Charges (SDCs) and other incentives to support middle housing and affordable housing development.

Finding: The proposal is consistent with these goals, policies and strategies. The proposed code amendments are intended to promote housing diversity within the Park Place Concept Plan area boundary through clear and objective approval standards. The Housing Choices code updates

that Oregon City adopted to implement HB2001 in 2022³ remain in effect and are not changed by this proposal. The amendments do not change existing allowable housing types already permitted in the low and medium density zone districts. Previous code amendments, driven by HB 2001, provides Oregon City with more housing choices, especially those that are attainably priced. The “middle housing” addressed by HB 2001 includes duplexes, triplexes, quadplexes, townhouses and cottage clusters. These housing types meet the housing needs of many younger people, older people, and low-income households that cannot afford or do not need a large single-family detached house. Many of these housing types were historically permitted and built throughout the state prior to World War II, and can still be found in many older neighborhoods. HB 2001 re-legalized these housing types, which had not been built in many cities for over 70 years due in part to restrictive zoning codes.

Adopted zones in the Low Density and Medium Density Comprehensive Plan designations allow for a range of lot sizes and types of housing. The Residential Standards for the Park Place Concept Area (OCMC 17.21) apply design types for residential development. The purpose of OCMC 17.21 is to ensure new residential development implements the goals and policies of the Park Place Concept Plan, promote high quality residential development and construction, protect property values, encourage visual variety and architectural compatibility; ensure diversity of housing types and promote an integrated character in the Park Place Concept Plan Area.

The middle housing code updates provide opportunities to expand upon the range of development types across more of the city while continuing to permit (or maintaining) the existing residential housing stock. A density bonus for Affordable Housing is already adopted in the R-3.5 Medium Density Zone District.

New minimum housing diversity standard

Amendments to OCMC Chapter 17.21 – *Housing Standards – Park Place Concept Plan Area* strike a balance between regulation and the housing market by requiring up to 25% of lots be for middle housing units, based on the net developable acreage of the proposed development. Additionally, the required middle housing units are required to be “clustered” in groups of no more than three abutting lots, so as to promote a better distribution and mix of dwelling unit types throughout the development and reduce overly-uniform housing design.

Those amendments will have the net effect of increasing the density of land and diversity of housing within the PPCP boundary in the medium and low-density zones that previously permitted only single-family detached residential use with limited middle housing options. An increased number of dwelling units within these existing residential areas rather than developing new residential areas can reduce the need for distance travel.

The amendments to OCMC 17.21 include new, clear and objective design standards consistent with the requirements of HB 2001.

Making changes to the City’s System Development Charge structure which includes water, wastewater, stormwater, transportation and parks is a major effort that requires significant analysis

³ Ord. 22-1001, <https://ormswd.synergycds.com/HPRMWebDrawer/Record/9274921>

and coordination with the City's adopted public facilities plans. A review of the city's SDC structure was done in 2022.

GOAL 3 Guide growth and development in a manner that implements the City's 2040 Vision and maintains an urban growth boundary that supports and accommodates projected population and employment during the 20-year planning period.

POLICY 3.1 Promote efficient use of land and public infrastructure and plan for appropriate infill development, redevelopment, and new development.

STRATEGY 3.1.A Create incentives for new development to use land more efficiently, such as by having minimum floor area ratios and maximums for parking and setbacks.

STRATEGY 3.1.B Encourage the vertical and horizontal mixing of different land-use types in selected areas of the city where compatible uses can be designed to reduce the overall need for parking, create vibrant urban areas, reduce reliance on private automobiles, create more business opportunities and achieve better places to live.

Finding: The proposal is consistent with these goals, policies and strategies. The proposed code amendments are intended to implement the mixed use vision for the PPCP. Neighborhood Commercial zoning is codified through 17.24 and the comprehensive plan has identified two areas of Mixed-Use Corridor in the Concept Plan where NC will be applied when annexed to the City. NC uses include commercial, residential, and parks. Additionally, residential use is proposed to only be allowed above the ground floor on any one site which ensures that residential uses cannot be the predominant building type in the NC area.

The uses envisioned to make up the Livesay Main Street, small scale commercial businesses, a civic building, and a park or Village Green, in the North Village are permitted uses in Neighborhood Commercial. The South Village also envisioned a small Neighborhood Commercial node with a park.

Main street design standards are codified in 17.62.055 as described in the original Park Place land use implementation appendix. Including store front windows, street-level entrances, streetscape elements such as weather protection and street trees, and restrictions on mid-block driveways to ensure an attractive, walkable environment.

Proposed Code Revisions to 17.24.060 Neighborhood Commercial include additional standards for the Park Place Concept Plan area. Additional standards for landscaping, setbacks, residential uses, and parking are included. Building entrances and architectural standards are proposed to create an urban design aesthetic that supports a main street type development. Revised standards include locating entrances near the corner of a building and incorporating elements such as height or massing, cupolas, turrets, or pitched roofs. Also, proposed requirements to chamfer or to cut the corner of a building and include weather protection, special paving materials, street furnishing, plantings are included. Architectural features such as increased windows and glazing and canopies and overhangs are intended to create visual interest at the street level. Proposed code also includes specificity about materials, streetscape trees, lighting, seating, signage, and awnings.

Based on the type of small scale commercial uses anticipated, the adoption of a minimum floor area ratio for the NC zone within the PPCP was not included in this proposal.

STRATEGY 3.1.F Support density transfers for lots of record that are located within the Natural Resource Overlay District.

POLICY 3.2 Promote development of walkable neighborhoods to reduce transportation demand and enhance localized access to community services and amenities.

STRATEGY 3.2.A Promote connectivity between neighborhoods and neighborhood commercial centers through a variety of transportation modes.

Finding: The proposal is consistent with these goals, policies and strategies. The proposed code amendments are intended to implement the mixed-use vision for the PPCP commercial and civic areas.

PPCP Key Elements include two distinct mixed-use neighborhoods (North Village and South Village) that accommodate 1,459 new dwelling units, neighborhood-oriented commercial nodes that integrate commercial land uses, residential land use, and public open space, and an area for a new civic institution, such as a library or community center.

OCMC 17.24.060 adds more detail to allow civic uses within the NC zone subject to applicable site plan and design review without a conditional use permit. 17.24.060. Additional civic uses permitted include non-profit and private uses such as art galleries, museums, indoor and outdoor music and theatre venues, childcare facilities, health and fitness clubs, clubs and lodges, mobile food units, and outdoor markets that are operated on the weekends and after six p.m. on weekdays.

This proposal makes no changes to the proposed street network envisioned in the PPCP or to the connectivity requirements of the adopted Transportation System Plan or Street Standards in OCMC 16.12 – *Minimum Public Improvements and Design Standards for Development*. Please refer to the transportation findings on page 6 for further explanation. The Planning Commission does recommend that the Holly Lane and Swan Avenue connections, projects D48, D49, and D50, be reprioritized from long-term to short-term in the next TSP update.

The new trail dedication requirements that will be part of commercial design review in OCMC Chapter 17.62 – Site Plan and Design Review, and Chapter 16.08 – Land Division, are intended to promote trail connections identified in the City's 2024 Parks Master Plan and achieve an extensive system of off-street and on-street trails and pedestrian/bicycle connections, a key element of the PPCP. Trail dedication shall be accompanied by a "shadow plat" or connectivity map to indicate how the trail proposed within the development would connect to off-site trails, trailheads and activity areas when the trail extended outside the development boundary. Trails shall be publicly accessible to all residents, including those with disabilities, and adhere to ADA (Americans with Disabilities Act) guidelines where applicable. Easements for public access shall be required. Density Transfers within the Natural Resources Overlay District are already permitted and codified in OCMC 17.49.240.

POLICY 3.4 Maintain the Oregon City Comprehensive Plan Land-Use Map as the official long-range planning guide for land-use development of the city by type, density and location.

STRATEGY 3.4.A Use the following 11 land-use classifications on the Oregon City Comprehensive Plan Land- Use Map to determine the zoning classifications that may be applied to parcels:

- Low Density Residential (LR)
- Medium Density Residential (MR)
- High Density Residential (HR)
- Commercial (C)
- Mixed Use Corridor (MUC)
- Mixed Use Employment (MUE)
- Mixed Use Downtown (MUD)
- Industrial (I)
- Public and Quasi-Public (QP)
- Parks (P)
- Future Urban Holding (FUH)

Finding: The proposal is consistent with these goals, policies and strategies. The proposed code amendments do not change the Comprehensive Plan Land Use classifications or their corresponding zoning districts.

GOAL 4 Encourage and support new development that incorporates supportive community features and sustainability principles in site design and building construction.

POLICY 4.1 Promote best practices for integrating residential infill development into the fabric of existing neighborhoods.

STRATEGY 4.1.A Use a combination of incentives and development standards to promote and encourage well- designed residential developments that result in neighborhood livability and stability.

POLICY 4.3 Utilize urban design principles that create comfortable and attractive public spaces that are reflective of Oregon City's community vision.

POLICY 4.4 Support and promote site and building design alternatives that balance high-quality and durable construction with affordability.

Finding: The proposal is consistent with these goals, policies and strategies. The proposed code amendments are intended to implement the mixed use vision for the PPCP. Neighborhood Commercial zoning is codified through 17.24 and the comprehensive plan has identified two areas of Mixed-Use Corridor in the Concept Plan where NC will be applied when annexed to the City. NC uses include commercial, residential, and parks. Additionally, there is a prohibition on ground floor

residential use which ensures that residential uses cannot be the predominant building type in the NC area.

The uses envisioned to make up the Livesay Main Street, small scale commercial businesses, a civic building, and a park or Village Green, in the North Village are permitted uses in Neighborhood Commercial. The South Village also envisioned a small Neighborhood Commercial node with a park.

Main street design standards are codified in 17.62.055 as described in the original Park Place land use implementation appendix. Including store front windows, street-level entrances, streetscape elements such as weather protection and street trees, and restrictions on mid-block driveways to ensure an attractive, walkable environment.

Proposed Code Revisions to 17.24.060 Neighborhood Commercial include additional standards for the Park Place Concept Plan area. Residential uses will be limited to upper floors and not allowed on ground floors when abutting Livesay Road. Additional standards for landscaping, setbacks, residential uses, and parking are included. Building entrances and architectural standards are proposed to create an urban design aesthetic that supports a main street type development. Revised standards include locating entrances near the corner of a building and incorporating elements such as height or massing, cupolas, turrets, or pitched roofs. Also, proposed requirements to chamfer or to cut the corner of a building and include weather protection, special paving materials, street furnishing, plantings are included. Architectural features such as increased windows and glazing and canopies and overhangs are intended to create visual interest at the street level. Proposed code also includes specificity about materials, streetscape trees, lighting, seating, signage, and awnings.

OC2040 Chapter 3: Connected Infrastructure

GOAL 1 Provide a safe, comfortable, and accessible transportation network that serves all modes of travel, including non- motorized modes.

POLICY 1.1 Plan for and develop multi-modal connectivity throughout Oregon City, with an emphasis on access to community services, amenities, and key points of interest.

STRATEGY 1.1.A Make investments to accommodate multi-modal traffic as much as possible to include bike lanes, bus turnouts and shelters, sidewalks, etc., especially on major and minor arterial roads, and in regional and employment centers.

STRATEGY 1.1.B Provide an interconnected and accessible street system that minimizes vehicle miles traveled and inappropriate neighborhood cut-through traffic.

STRATEGY 1.1.C Ensure the adequacy of travel mode options and travel routes (parallel systems) in areas of congestion.

STRATEGY 1.1.D Identify and prioritize improved connectivity throughout the city street system.

POLICY 1.2 Reduce Oregon City's carbon footprint by supporting and emphasizing non-motorized modes.

STRATEGY 1.2.A Provide an interconnected and accessible pedestrian system that links residential areas with major pedestrian generators such as employment centers, public facilities, and recreational areas.

STRATEGY 1.2.B Provide a well-defined and accessible bicycle network that links residential areas, major bicycle generators, employment centers, recreational areas, and the arterial and collector roadway network.

STRATEGY 1.2.C Construct bikeways and sidewalks and require connectivity of these facilities to reduce the use of petroleum-fueled transportation.

POLICY 1.4 Ensure transportation investments are equitably applied across Oregon City neighborhoods.

STRATEGY 1.5.A Promote and encourage a public transit system that ensures efficient accessibility, mobility, and interconnectivity between travel modes for all residents of Oregon City.

STRATEGY 1.5.B Explore options for better connections throughout the region through Transportation System Plan updates and projects.

Finding: The proposal is consistent with these goals, policies and strategies. Please refer to the transportation findings on page 6 for further background. This proposal makes no changes to the proposed street network envisioned in the PPCP or to the connectivity requirements of the adopted Transportation System Plan or Street Standards in OCMC 16.12 – *Minimum Public Improvements and Design Standards for Development*. Please refer to the transportation findings on page 6 for further explanation. The Planning Commission does recommend that the Holly Lane and Swan Avenue connections, projects D48, D49, and D50, be reprioritized from long-term to short-term in the next TSP update. Additionally, the proposed amendments do not change zoning or comprehensive plan designations. Traffic impacts as a result of zone changes are analyzed when there is a proposal for a zone change and in the case of the Park Place Concept Plan area this analysis will take place when land is proposed for annexation and zoning assignments. No development is proposed with this legislative amendment however traffic analysis will be required if a development application is submitted to the City. The proposed amendments are intended to clarify the code and create clear and objectives standards to review development proposals.

GOAL 2 Ensure public utilities and infrastructure are maintained and improved to adequately serve all existing areas of Oregon City and can be extended to serve newly developing areas in a logical and fiscally responsible manner.

STRATEGY 2.3.D Identify neighborhoods that are underserved by transportation and other infrastructure investments to ensure equitable future investments.

STRATEGY 3.5.A Enhance efficient use of existing public facilities and services by considering development at reasonable levels permitted in the Comprehensive Plan, implementing minimum residential densities, and adopting an Accessory Dwelling Unit Ordinance to infill vacant land.

Finding: The proposal is consistent with these goals, policies and strategies. See findings under OCMC 17.68.020.(B) and (C) earlier in this report relating to adequacy of public facilities and the transportation system beginning on page 5.

The development of the area envisioned in the Park Place Concept Plan area has already been included in updates to the city's Ancillary Documents to the Comprehensive Plan, including amendments to the various public facilities plans for water, sewer, storm drainage, transportation, schools, police and fire protection. The capacity of the respective public facilities and services to support the proposal is not affected by the proposed code amendments. The criterion requires that public utilities and services be either currently adequate, or will be constructed in advance of development, or will be constructed prior to an occupancy permit for any development within the concept plan area. The current updated Parks Master Plan also folds in anticipated needs for parks and recreation, which is slated for legislative adoption in 2024. The city is limited by the U.S Constitution to only exact public improvements that are roughly proportional to the impacts of proposed development. Additional findings for adequacy of public facilities and services is also discussed in the findings for Statewide Planning Goal 11 since 2008.

The land uses authorized by the proposal are consistent with the existing or planned function, capacity and level of service of the transportation system serving the proposed zoning district.

The planned transportation system to serve the development envisioned in the Park Place Concept Plan was evaluated in 2008 when the concept plan was adopted and became an ancillary document to the Transportation System Plan. The Transportation System Plan (2013) also evaluated the concept plan and folded in the major transportation projects into that plan. No new uses are being proposed with these proposed code amendments. The zones do not change and the underlying comprehensive planning designations do not change either. No development is proposed with this legislative amendment to create clear and objective standards. There are also no proposed changes to the 2013 Transportation System Plan.

For these reasons no additional impacts to transportation are anticipated as a result of these proposed amendments.

GOAL 4 Promote and support energy conservation, sustainability, and resiliency through best practices in infrastructure planning, operations, and management.

POLICY 4.2 Continue to implement green, sustainable, and low-impact approaches to stormwater management.

STRATEGY 4.4.A Promote mixed-use development, increased densities near activity centers, and home-based occupations (where appropriate).

STRATEGY 4.B Create commercial nodes in neighborhoods that are underserved to reduce vehicle miles traveled.

STRATEGY 4.4.C Plan for complementary mixed uses when considering annexation of new, under- or undeveloped areas so that new urban residential areas have closer access to jobs and services.

Finding: The proposal is consistent with these goals, policies and strategies. The proposed code amendments are intended to implement the mixed-use vision for the PPCP. Neighborhood Commercial zoning is codified through 17.24 and the comprehensive plan has identified two areas of Mixed-Use Corridor in the Concept Plan where NC will be applied when annexed to the City. The proposed amendments include clearer design standards for new buildings in the NC zone and additional protections for the zone's commercial nature by limiting the size of storm ponds and park land within the zone district.

OC2040 CHAPTER 4: PROTECTED ENVIRONMENT

GOAL 1 Provide and maintain a comprehensive system of parks, trails, natural resource areas, and recreation amenities that is accessible to residents of all ages and abilities, enhances the environmental and aesthetic quality of the community, and encourages healthy living.

POLICY 1.1 Provide additional parklands to adequately serve the City's current and estimated future population based on adopted service levels and community needs.

STRATEGY 1.1.A When property adjacent to an existing neighborhood or community park becomes available, consider adding property to the park and developing it to meet the current needs of existing neighborhoods.

STRATEGY 1.1.B Identify and protect land for parks and recreation within the Urban Growth Boundary.

STRATEGY 1.1.C Require or encourage developers to dedicate park sites as part of the subdivision review process. When possible, require or encourage developers to build parks to City standards and give them to the City to operate and maintain.

Finding: The proposal is consistent with these goals, policies and strategies. The PPCP calls for the provision of 8-10 acre community park in the North Village area and a 3-5 acre neighborhood park in the South Village area that would be connected by extensive system of off-street and on-street trails and pedestrian/bicycle connections. Revisions are proposed to OCMC 17.62.059 to add a new section of code with proportional dedication standards and allowance for fee-in-lieu of dedication of public park and trail requirements in Park Place Concept Plan area. Similar revisions are proposed for OCMC 16.08.040 that would require dedication at time of a land division.

As with the discussion of critical road infrastructure discussed above, the City is constrained in its ability to exact park land dedication and improvements to that which is roughly proportional to the impact of development. To deal with these limitations, city staff is proposing a formula for residential development. OCMC 17.62.059 requires the dedication of park land or an in-lieu fee that is based on a proportional formula based on number of individuals in each dwelling multiplied by the number of dwelling units at four acres per 1000 people. Under this approach, every new housing unit will contribute its fair share for the park either in the form of a land dedication or a fee-in-lieu. If future development is so piecemeal that it precludes dedication of the minimum PPCP required parkland, the City will have to be prepared to buy whatever remaining pieces are necessary using the funds collected in-lieu fees, either through negotiation or eminent domain, if necessary.

POLICY 1.2 Provide equitable distribution of parks and trails across the city.

STRATEGY 1.2.A Ensure the adequacy of pedestrian and bicycle connections to local, county, and regional trails.

STRATEGY 1.2.B Ensure adequate park and trail development in high density development and neighborhoods lacking access to these amenities.

POLICY 1.3 Provide a network of signage and trails to enhance connections within parks, and between parks, neighborhoods, and public amenities.

POLICY 1.4 Reduce barriers to park use and improve safety and accessibility of parks resources for all users, regardless of ability, comfort level, or native language.

STRATEGY 1.4.A Manage open space areas for their value in linking citizens and visitors with the natural environment, providing solace, exercise, scenic views and outdoor education. Built features in open space sites should harmonize with natural surroundings.

Finding: The proposal is consistent with these goals, policies and strategies. The Park Place Concept Plan (PPCP) identifies a substantial, interconnected network of trails corresponding to the open space system, and in some cases parallel to road corridors. Proposed trail locations are consistent with the City's adopted Trails Master Plan and other local and regional plans, help connect activity centers, and provide alternatives to travel by automobile. The proposed code amendments for trails is intended:

- To achieve an extensive system of off-street and on-street trails and pedestrian/bicycle connections, a key element of the PPCP.
- To provide standards for the applicability, design, location, connectivity, access, maintenance, dedication, enforcement and integration of trails for residential and non-residential development within the PPCP.
- To assure that trail dedication requirements are roughly proportional to the impact of the proposed development on the trail system.
- To promote pedestrian connectivity, enhance recreational opportunities and enhance environmental stewardship within the PPCP.
- To integrate trail planning with other adopted goals, policies and plans, including the Oregon City Parks and Recreation Master Plan (2008), the Oregon City Trails Master Plan (2004), the Oregon City Transportation System Plan (2013), and the OC2040 Comprehensive Plan (2022).

OC2040 GOAL 2 Conserve, protect, and enhance the function, health, and diversity of the City's natural resources and ecosystems.

POLICY 2.2 Implement site development and design practices that incorporate natural ecosystem enhancement, minimize impacts on natural resources, and avoid degradation or loss of wetlands, watershed, and habitat.

STRATEGY 2.2.A Adopt and/or establish standards for all new development that promote the use of pervious surfaces and prevent negative ecological effects of urban stormwater runoff on streams, creeks and rivers.

STRATEGY 2.2.B Encourage use of native and hardy plants such as trees, shrubs and groundcovers to maintain ecological function and reduce maintenance costs and chemical use.

POLICY 2.4 Protect and enhance the urban forest tree canopy.

STRATEGY 2.4.A Encourage the maintenance and improvement of the city's tree canopy to improve air quality.

POLICY 2.5 Support water conservation and storm water management efforts within the Willamette Basin.

STRATEGY 2.5.A Prevent erosion and restrict the discharge of sediments into surface- and groundwater by requiring erosion prevention measures and sediment control practices.

STRATEGY 2.5.B Where feasible, use open, naturally vegetated drainage ways to reduce stormwater and improve water quality.

POLICY 2.7 Support programs and methods that will improve air quality in Oregon City.

STRATEGY 2.7.A Promote land-use patterns that reduce the need for distance travel by single-occupancy vehicles and increase opportunities for walking, biking and/or transit to destinations such as places of employment, shopping and education.

STRATEGY 2.8.B Encourage preservation over mitigation when making decisions that affect wetlands and a "no net loss" approach to wetland protection.

POLICY 2.9 Establish, restore, and maintain a network of connected wildlife habitat corridors.

STRATEGY 2.9.A Conserve natural resources that have significant functions and values related to flood protection, sediment and erosion control,

water quality, groundwater recharge and discharge, education, vegetation, and fish and wildlife habitat.

Finding: The proposal is consistent with these goals, policies and strategies. The proposed code amendments do not make any changes to the Natural Resources Overlay District code. The PPCP envisioned green edges as areas consisting of sensitive habitat and drainage areas that frame pockets of development. The PPCP states that this open space “can be realized through local regulation, sensitive development practices, and through public acquisition. From Chapter 4 of the Concept Plan, a policy identified conserving and protecting natural areas, including environmentally constrained areas unsuitable for development.” The PPCP identifies areas with slopes of 25% or more as open space that will remain undeveloped. P56

This element is implemented by recognizing the Natural Resource Overlay District (NROD) and Geologic Hazards Overlay District within the Concept Plan area. Density transfers have been codified for the NROD to allow these areas to remain open. Three chapters in OCMC have been adopted and apply to the PPCP area including Natural Resource Overlay District (OCMC 17.49), Geologic Hazards (OCMC 17.44), and the Flood Management Overlay District (OCMC 17.42). The Concept Plan suggested adding definitions for landslide materials, landslide areas, unstable slopes, unstable soils and debris fans based on certain studies included in the Concept Plan. These studies are referenced in Chapter 44 specifically in 17.44.050(A)(1)(a-h). (PPCP p58) OCMC 17.44.050 requires these resources to be used as part of a geologic assessment.

The Park Place Concept Plan was developed in a manner that minimizes impacts to the existing hydrological conditions of the study area. Moreover, the stormwater concept plan and recommendations seek to utilize existing natural drainage features and low-impact development best practices to mimic existing hydrologic functions.

Chapter 13 of the OCMC addresses public utilities and services including water, sewer, and stormwater. These chapters are applicable during site plan and design review but are not listed as applicable chapters to address during general development or detailed development land use review. Updates to Chapter 17.65.050 and 17.65.060 are needed to include references to these chapters and specifically chapter 13.12 Stormwater management.

Since the adoption of the Concept Plan, stormwater management standards were adopted and went into effect in 2015 as well as the Stormwater and Grading Design Standards which emphasize low-impact development (LID) practices. Stormwater LID techniques approved for use in Oregon City mimic natural drainage systems by keeping rainwater close to where it falls and attenuate stormwater runoff.

Stormwater is addressed in section 13.12.020 of the OCMC:

- OCMC 13.12.020 allows the City Commission to adopt the Stormwater and Grading Design Standards, which have been adopted in 2015 and an update in 2019/2020.

The Stormwater and Grading Design standards prescribe a Stormwater Management Strategy that development must address. “Given suitable site and soil conditions, the City requires that the

stormwater management strategy prioritize infiltration of stormwater runoff to recharge groundwater mimic pre-development hydrologic conditions” (p38 Stormwater and Grading Design Standards). The City’s stormwater Management Hierarchy closely matches the desired stormwater management in the PPCP.

Level 1- Onsite retention of the 10-year design storm using LID for infiltration

Level 2- Onsite stormwater management using LID to meet water quality and flow control standards

Level 3- Offsite or Regional Facilities

Level 4- Fee in Lieu

The PPCP identified the desire for Green Streets which integrate the management of stormwater into street design itself that would provide a stormwater management benefit as well as an urban design element. Green streets typically take the form of vegetated swales along the street with curb cuts to allow street runoff to enter. However, this type of stormwater management may not be appropriate for the PPCP area due to topography and soil type. The slope of Holly Lane is anticipated to be 15% which is comparable to Pearl Street within the City. It will be very steep. Stormwater planters require a design that is not conducive to steep slopes. While stormwater planters are the modern version of stormwater swales, infiltration may not be the best or wisest solution to stormwater management due to the existing geologic hazards and natural resources in the area.

The proposed code amendments do not make any changes to the adopted tree regulations in OCMC 17.41.

Together with the existing code chapters for public and street trees in Chapter 12.08, heritage tree designation process in Chapter 12.32, stormwater regulations in Chapter 13.12, and NROD regulations in Chapter 17.49, the proposal remains consistent with the aforementioned goals, policies and strategies.

OC2040 GOAL 3 Ensure the safety of residents and property by supporting plans, programs, and investments that minimize the impacts of future natural hazard events and aid in rapid response and recovery.

POLICY 3.2 Restrict development in unsafe areas and where development would increase hazard impacts, such as steep slopes, landslides, wetlands, streams, and floodplains.

Finding: The proposal is consistent with these goals, policies and strategies. The proposed code amendments do not make any changes to the Natural Resources Overlay District code. Geohazard areas are an identified Goal 7 resource under the state land use system. Per OAR 660-046-0010(3)(c), cities may apply protective measures within Goal 7 areas including, but not limited to, restrictions on use, density, and occupancy by limiting middle housing types, in order to reduce risk to people and property from natural hazards.

The City's existing Geological Hazards Overlay District (OCMC 17.44) generally limits residential development to two dwelling units per acre and individual residential uses are limited by maximum grading and disturbance volumes.

In the Geologic Hazard Overlay District, the development of middle housing at densities that exceed the maximum density allowed for detached single-unit dwellings would increase the number of people exposed to a hazard. For that reason, development of middle housing in the Geologic Hazard Overlay District will be subject to regulations limiting density where there are slopes between 25-35% or located within historic landslide areas to two dwelling units per acre, whether that be two single-family detached dwellings, one duplex, or any other residential development type permitted in the underlying zoning district. This standard will permit residential development without increasing the number of people exposed to landslide hazards, thereby limiting loss of life and damage to property from natural hazards through the regulation of development in these areas.

The Geological Hazard Overlay District (OCMC 17.44) is intended to ensure that activities in geologic hazard areas are designed based on detailed knowledge of site conditions in order to reduce risk of private and public losses. It is intended to establish standards and requirements for the use of lands within geologic hazard areas and to provide safeguards to prevent undue hazards to property, the environment, and public health, welfare, and safety in connection with use of lands within geologic hazard areas. Finally, the Geologic Hazards Overlay District is intended to mitigate risk associated with geologic hazard areas, not to act as a guarantee that the hazard risk will be eliminated, nor as a guarantee that there is a higher hazard risk at any location. Unless otherwise provided the regulations of OCMC 17.44 are in addition to generally applicable standards provided elsewhere in the Oregon City Municipal Code. The City has a responsibility to balance the safety of residents and property while still allowing private property owners to exercise their rights as landowners.

Alley Requirements in the Park Place Concept Plan

Revisions to OCMC 16.12.026 – Alleys are currently required in the PPCP area however proposed code will create a new, clear and objective standard to offer a modification of the alley requirements within the Natural Resources Overlay District and within the Geologic Hazard Overlay district. Alleys are a requirement within the Park Place Concept Plan area, however, public alley access may not be feasible nor practicable in these areas due to the additional grading, cut and fill and impervious surfaces that alleys require and the need to minimize disturbance to sensitive natural resources and steeply sloped or unstable sites within these overlay districts. Not requiring alleys in these sensitive areas will reduce the amount of grading and impervious surface required.

A third modification has been added to exclude development abutting the PPCP boundaries from the alley service requirement, since including an alley at the rear of these abutting lots will defeat the purpose of the green buffer concept, as well as the requirement for blocks with two tiers of lots of consistent depths per OCMC 16.12.030.

Through a Type II process, an applicant may request modification of this public improvement standard as part of a land division or other land use application.

The City received testimony from prospective development interests arguing that retaining the alley and garage orientation obligations that already exist in the code will impose an “unreasonable cost” on the provision of needed housing in violation of ORS 197A.400(1)(b). The claim is that dedicating land to alleys rather than housing will reduce densities coupled with the cost of additional pavement will add 25% to 50% to the cost of overall development. Developers claim that long-term maintenance of alleys is a burden on homeowners and have the effect of reducing the size of the rear yard, which is not what the market prefers.

Whether a development cost of a regulation is reasonable or unreasonable is a highly fact-specific determination. The degree to which the provision of alleys might impact densities, if at all, or construction costs in terms of pavement and stormwater treatment will vary greatly depending on what is proposed and the land at issue. For example, the provision of alleys might have an unreasonable impact on densities where the development is located on a flat property that is not otherwise encumbered with natural resources or other development restrictions. Alleys are required to serve development that abuts arterial or collector streets as a safety protection. The provision of alleys to accommodate Holly Lane-facing development may be much more land-intensive than any of the remaining infill alleys from local streets that may otherwise be required. Minimizing curb cuts on arterials and collectors is required to allow for safe access and to allow for efficient passage of thru traffic. OCMC 16.12.035(H). The rear yard setback for alleys is only five feet rather than ten to twenty feet for a front yard setback in the R-6-R-10 zones. This means that rear serving driveways can be much shorter reducing the cost of pavement. In summary, blanket assertions of 25% - 50% increase in costs without site plans showing lost development densities, sales price and construction cost impacts are just that – speculation and conclusions.

The City staff’s October 21 memorandum identifies numerous benefits realized from alleys including enhanced pedestrian and bicycle safety, providing more space for front yard amenities and landscaping, improved curb appeal, preserving on-street parking, traffic safety in the form of fewer curb cuts, enhanced opportunities for street trees, and providing for rear garbage service. Requiring the provision of alleys and garage orientation siting standards will further these health and safety objectives.

III.C. OREGON STATEWIDE PLANNING GOALS

Statewide Planning Goal 1 – Citizen Involvement:

This goal outlines the citizen involvement requirement for adoption of Comprehensive Plans and changes to the Comprehensive Plan and implementing documents.

Finding: Requirements under Goal 1 are met by adherence to the applicable goals and policies of Section 1 of the OC 2040 Oregon City Comprehensive Plan and the citizen involvement processes required by the Oregon City Municipal Code, Chapter 17.50 – Administration and Procedures.

The amendments are subject to the Type IV legislative process, which requires public notification and public hearings before the Planning Commission and City Council. This process has been established by the City and determined to be consistent with the City’s acknowledged Citizen Involvement Program and Statewide Planning Goal 1. The public hearing notice of the action and decision, and the hearings on this case before the Planning Commission and City Council are all recognized as opportunities for citizen participation. Additionally, a Measure 56 notice required by ORS 227.186 was mailed to affected property owners. Goal 1 is met.

Statewide Planning Goal 2 – Land Use Planning:

This goal requires a land use planning process and policy framework as a basis for all decision and actions related to use of land and to assure an adequate factual base for such decisions and actions.

Finding: This goal outlines the land use planning process and policy framework, and is implemented through the applicable Goals and Policies in Chapter 2 of the Oregon City Comprehensive Plan: Diverse Economy . The Oregon City Comprehensive Plan and Oregon City Municipal Code have been acknowledged by DLCD as being consistent with the statewide planning goals. The City has followed the land use planning process and policy framework established in the City's acknowledged comprehensive plan elements and Oregon City Municipal Code as a basis for all decision and actions related to the use of land and to assure an adequate factual basis for such decisions and actions.

The amendments will be adopted by the City Commission after a public hearing. Multiple opportunities have been provided for review and comment by citizens and affected governmental units during the preparation of this ordinance.

Statewide Planning Goals 3 & 4: Agricultural Lands and Forest Lands

Finding: These statewide planning goals relate to agricultural and forest lands in Oregon and are not applicable to these amendments. These amendments pertain to lands within City limits that is zoned for urban development. By definition, Oregon City does not have rural resource lands such as for agricultural or forest use within its city limits or UGB, and therefore, those goals are not applicable.

Statewide Planning Goal 5 – Natural Resources, Scenic and Historic Areas

Finding: The City is currently in compliance with the Statewide Planning Goal 5. The amendments do not alter the City's acknowledged Goal 5 inventories or land use programs. No changes will occur directly to current natural resource or historic protections (OCMC 17.49, Natural Resource Overlay District, and OCMC 17.40, Historic Overlay District) because of these amendments; therefore, the amendments are in compliance with Goal 5. In areas subject to the Historic Overlay District, housing types permitted in the underlying zoning districts will be permitted consistent with OAR 660-046-0010(3)(B) and will require review and compliance with Historic Overlay District provisions.

Statewide Planning Goal 6: Air, Water, and Land Resources Quality

Finding: Pursuant to OAR 660-015-0000(6), a Medium or Large City may limit development within an urban growth boundary to support attainment of federal and state air, water, and land quality requirements. Medium and Large Cities may apply regulations adopted pursuant to Goal 6 to the development of Middle Housing. The City is currently in compliance with Statewide Planning Goal 6.

The amendments do not alter the City's acknowledged land use programs regarding water quality and flood management protections. As a result, the updates comply with Goal 6.

Statewide Planning Goal 7 – Areas Subject to Natural Hazards

Finding: The City is currently in compliance with Goal 7 for geologic hazard areas by maintaining current development limitations and review requirements. Per OAR 660-046-0010(3)(c), cities may apply protective measures within Goal 7 areas including, but not limited to, restrictions on use, density, and occupancy by limiting middle housing types, in order to reduce risk to people and property from natural hazards.

The City's existing Geological Hazards Overlay District (OCMC 17.44) generally limits residential development to two dwelling units per acre and individual residential uses are limited by maximum grading and disturbance volumes.

The amendments do not alter the City's acknowledged land use programs regarding potential landslide areas (OCMC 17.44 – US-Geologic Hazards) and flood protection (OCMC 17.42 – Flood Management Overlay District).

Statewide Planning Goal 8 – Recreational Needs

Finding: The provision of recreation services within Oregon City is the responsibility of the Oregon City Parks and Recreation Department. The code amendments proposed include clear and objective parks and trail dedication requirements for the Park Place Concept Plan which will promote recreational use by the future residents of the area.

Statewide Planning Goal 9: Economic Development

Finding: This goal is applicable as the Park Place Concept Plan envisions walkable mixed use development and small scale commercial uses within both the North and South Village concepts. Code revisions are proposed in order to achieve good design and preserve the NC – Neighborhood Commercial zoned areas that will eventually serve adjacent residential development with goods and services closer to their homes.

Statewide Planning Goal 10: Housing

To provide for the housing needs of citizens of the state.

Finding: The proposed code amendments are intended to promote housing diversity within the Park Place Concept Plan area boundary through clear and objective approval standards. The Housing Choices code updates that Oregon City adopted to implement HB2001 in 2022⁴ remain in effect and are not changed by this proposal. The amendments do not change existing allowable housing types already permitted in the low and medium density zone districts. Previous code amendments, driven

⁴ Ord. 22-1001, <https://ormswd.synergycds.com/HPRMWebDrawer/Record/9274921>

by HB 2001, provides Oregon City with more housing choices, especially those that are attainably priced. The “middle housing” addressed by HB 2001 includes duplexes, triplexes, quadplexes, townhouses and cottage clusters. These housing types meet the housing needs of many younger people, older people, and low-income households that cannot afford or do not need a large single-family detached house. Many of these housing types were historically permitted and built throughout the state prior to World War II, and can still be found in many older neighborhoods. HB 2001 re-legalized these housing types, which had not been built in many cities for over 70 years due in part to restrictive zoning codes.

Adopted zones in the Low Density and Medium Density allow for a range of lot sizes and types of housing. The Residential Standards for the Park Place Concept Area (OCMC 17.21) apply design types for residential development. The purpose of OCMC 17.21 is to ensure new residential development implements the goals and policies of the Park Place Concept Plan, promote high quality residential development and construction, protect property values, encourage visual variety and architectural compatibility; ensure diversity of housing types and promote an integrated character in the Park Place Concept Plan Area.

The middle housing code updates provide opportunities to expand upon the range of development types across more of the city while continuing to permit (or maintaining) the existing residential housing stock. A density bonus for Affordable Housing is already adopted in the R-3.5 Medium Density Zone District.

New minimum housing diversity standard

Park Place concept plan key element #5 envisions a “mix of housing types and ranges of affordability.” One strategy for tackling housing affordability is to provide more middle housing options which lowers housing cost by distributing it over multiple units. Amendments to OCMC Chapter 17.21 – *Housing Standards – Park Place Concept Plan Area* strike a balance between regulation and the housing market by requiring up to 25% of new lots be for middle housing units, based on the net developable acreage of the proposed development. Additionally, the required middle housing units are required to be “clustered” in groups of no more than three abutting lots, so as to promote a better distribution and mix of dwelling unit types throughout the development and reduce overly-uniform housing design. Imposing a mandatory minimum middle housing densities and a mix of housing types subject to clear and objective standards will achieve both the PPCP objections as well as the state housing laws. ORS 197A.400(4) allows the City to establish approval standards for particular housing types. There is no limitation on the maximum amount of middle housing that can be proposed, either by the subdivision developer or on individual homeowner development in the future.

Oregon City adopted a Housing Needs Analysis in December 2021 ORD20-1014 which included the Park Place Concept Plan in the buildable land inventory, expected population growth, and the forecast for new dwelling units. The proposed amendments do not change these assumptions, and the clear and objective criteria proposed will be applied to new residential development in the Park Place Concept Plan area, helping to achieve the goals set in the Housing Needs Analysis.

Statewide Planning Goal 11: Public Facilities and Services

To plan and develop a timely, orderly, and efficient arrangement of public facilities and services to serve as a framework for urban and rural development.

Finding: Goal 11 requires the City to plan and develop a timely, orderly, and efficient arrangement of public facilities and services to serve as a framework for urban and rural development. Pursuant to OAR 660-011-0020(2), a public facility plan must identify significant public facility projects which are to support the land uses designated in the acknowledged comprehensive plan.

Oregon City's wastewater collection and treatment, water distribution, and stormwater management facilities and services are governed by the following ancillary documents:

- City of Oregon City Sanitary Sewer Master Plan (2014)
- City of Oregon City Stormwater Master Plan (2020)
- City of Oregon City Water Master Plan (2021)

The above documents, together with Oregon City's Transportation System Plan from 2013 (TSP), are the City's acknowledged public facilities and transportation system plans that inform infrastructure investments (i.e., water, stormwater, wastewater, transportation, and electricity) in Oregon City. The TSP is addressed under the Goal 12 findings below. No changes to the Public Facilities Service Plans are proposed in conjunction with the code update project.

Statewide Planning Goal 12: Transportation

To provide and encourage a safe, convenient, and economic transportation system.

Finding: See findings under page 5. As far as land use impacts on the transportation system, this code amendment proposal does not anticipate any major changes to allowable uses that were not already evaluated with the adoption of middle housing code in 2022. That analysis determined that the assumed increase in residential trips resulting from a middle housing shift is not expected to have a significant effect on the transportation system in Oregon City.

The findings of the 2013 TSP will not change because of the middle housing shift, including the established citywide circulation needs. New subdivisions will continue to be analyzed as part of development review to establish localized needs (e.g., safe access, connectivity).

Statewide Planning Goal 13: Energy Conservation

Land and uses developed on the land shall be managed and controlled so as to maximize the conservation of all forms of energy, based on sound economic principles.

Finding: Goal 13 regarding energy conservation is not applicable because the City's acknowledged regulations implementing Goal 13 remain unaffected by the proposed amendments.

Statewide Planning Goal 14: Urbanization

To provide for an orderly and efficient transition from rural to urban land use, to accommodate urban population and urban employment inside urban growth boundaries, to ensure efficient use of land, and to provide for livable communities.

Finding: Goal 14 requires cities to estimate future growth rates and patterns, and to incorporate, plan, and zone enough land to meet the projected demands. The amendments do not repeal, replace, or void existing code provisions regarding annexation. Therefore, the code amendments are consistent with Goal 14.

Statewide Planning Goal 15: Willamette River Greenway

To protect, conserve, enhance and maintain the natural, scenic, historical, agricultural, economic and recreational qualities of lands along the Willamette River as the Willamette River Greenway.

Finding: Statewide Planning Goal 15 requires cities to adopt local greenway plans, along with criteria for new development, new uses, and the increase of use along the river. Section 15 – Willamette River Greenway of the Oregon City Comprehensive Plan establishes goals and policies that provide a basis for an overlay zone in Title 17 of the City of Oregon City Municipal Code, namely OCMC 17.48 – WRG Willamette River Greenway Overlay District. The proposed code amendments to not change any regulations within Chapter 17.48 and none of the Park Place concept Plan area is within the Willamette River Greenway Overlay District.

Statewide Planning Goals: 16 Estuarine Resources; 17 Coastal Shorelands; 18 Beaches and Dunes; 19 Ocean Resources

Finding: Statewide planning Goals 16-19 relate to coastal lands in Oregon, which are not applicable within the planning jurisdiction of the City of Oregon City and are not applicable to the amendments.

IV. STAFF RECOMMENDATION:

Based on the findings identified above, the proposal to amend Titles 16 and 17 of the Oregon City Municipal Code to implement clear and objective standards for the Park Place Concept Plan is consistent with the Oregon City Comprehensive Plan and State Land Use Goals and applicable Oregon Administrative Rules.

The Community Development Director therefore recommends approval of Planning file LEG 24-01.

V. EXHIBITS AND REFERENCED PLANS

- a. Ordinance # 24-1010 Draft
- b. Clean Copy of Draft Code
- c. Draft Code Redlines with Explanation Boxes
 - Chapter 16.08 – Land Division Process and Standards –
 - Additional Public Park, Trail and Open Space Requirements in the Park Place Concept Plan Area
 - Chapter 16.12.026 – Street Standards – Alleys
 - Chapter 17.04 – New Definitions
 - Chapter 17.08 – Low Density Residential Districts
 - Chapter 17.10 – Medium Density Residential Districts
 - Chapter 17.21 – Residential Design Standards – Park Place Concept Plan Area
 - Chapter 17.24 – Neighborhood Commercial District
 - Chapter 17.62 – Site Plan and Design Review –
 - Additional Public Park, Trail and Open Space Requirements in the Park Place Concept Plan Area
 - Chapter 17.65- Master Plans and Planned Unit Developments
- d. Public Comment Summary Matrix
- e. Public Comments submitted to date
- f. Memorandum, “Response to development related comments on GLUA24-013/LEG-24-01”, dated October 17, 2024
- g. 2024 Parks Master Plan (On File)
- h. 2004 Trails Master Plan (On File)
- i. 2008 Parks and Recreation Master Plan (On File)
- j. 2008 Park Place Concept Plan (On File)
- k. Oregon City Transportation System 2013 (On File)
- l. Memorandum, “Park Place Concept Plan Key Elements Integrating Clear and Objective Standards into Oregon City Municipal Code, May 7th, 2024; Updated June 24, 2024 with PC revisions (On File)
- m. Full Records of Planning Commission Meetings - May 2024 to August 2024 (On File)
 - May 13
 - June 10
 - June 24
 - July 8
 - July 22
 - August 5
 - August 12
- n. Record for City Commission Worksession on August 13, 2024 (On File)
- o. Oregon City Housing Needs Analysis - December 2021, Ord. 20-1014 (On File)

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16.12.026 Same—Alleys.

Alleys with public access easements on private property shall be provided in the South End concept plan area for the following districts R-5, R-3.5, R-2, MUC-1, MUC-2 and NC zones unless other permanent provisions for private access to off-street parking and loading facilities are approved by the decision maker.

Alley access may be required by the City Engineer in order to restrict access onto a collector or arterial road pursuant to OCMC 16.12.022 and 16.12.035.

All alleys intended to provide access for emergency vehicles shall be a minimum width of twenty feet. The corners of alley intersections shall have a radius of not less than ten feet and shall conform to standards approved by the city engineer. Access easements and maintenance agreements shall be recorded on affected properties.

New Zoning Code Definitions

Note: This list includes new definitions to implement the Park Place Concept Plan and other definitions for words added to the code over time that are not currently defined. Final definitions will require renumbering to fit the new definitions into the Oregon City Municipal Code in alphabetical order.

Architecturally significant façade

“Architecturally significant façade” means the exterior wall(s) or elevation(s) of a structure that contains the greatest number and most detailed elements of architectural design, detail, materials or craftsmanship compared to the other walls or elevations of the structure as viewed from a public area, street or vantage point. The architecturally significant façade of a building is the most familiar and recognizable part of the building, and includes windows, materials, entryways, sheltering elements and other features of interest that are not found on or found to a lesser extent on the other exterior walls or elevations of the structure.

Awning

“Awning” means a roof-like structure of fabric, metal or other materials stretched or connected over a rigid frame projecting from the elevation of a building designed to provide continuous overhead weather protection.

Canopy

“Canopy” means a roof-like covering over a door or an opening of a structure intended and used for the purpose of sheltering persons or inanimate objects from the rays of the sun and from rain and weather. Entrance canopies shall be attached to the building and may be supported from the ground up or cantilevered out from the wall of a building using structural support integral to the building.

Cupola

“Cupola” means a relatively small, most often dome-like, tall structure on top of a building. Often used to provide a lookout or to admit light and air, it usually crowns a larger roof or dome.

Deck

“Deck” means an uncovered platform with a main walking surface that is directly accessible from and adjacent to or attached to a principal building. Residential decks may be located at different levels or stories on the front, rear or side of a dwelling and may have setbacks that are different from setbacks for enclosed living areas per OCMC 17.54.030.(C). Decks may or may not have railings or guards depending on building code or other requirements. See also “Porch”.

Dedication

“Dedication” means the intentional appropriation or conveyance by an owner or developer of private land for public use, and the acceptance of land for such use by the City over the public function for which it will be used. Dedications for roads, parks, utilities, or other public uses often are made conditions for approval of a development by the City.

Distribution

“Distribution” means a use where goods are received and/or stored for delivery to the ultimate customer at remote locations.

Eco-roof.

"Eco-roof" or "green roof" means a lightweight vegetated roof system consisting of waterproofing material, a growing medium, and specially selected plants. An eco-roof or green roof is one of various stormwater low impact development techniques intended to reduce runoff, improve water and air quality, provide wildlife habitat, and save energy. See also Low Impact Development. Eco-roofs may also be used on constrained urban sites in lieu of traditional landscaping.

Gazebo

"Gazebo" means a type of open sided accessory structure consisting of pillars or posts supporting an enclosed roof system, which offers full protection from the elements. The sides are fully open to allow airflow.

Green roof.

See "Eco-roof" as defined in OCMC 17.04.345.

Living Area

"Living area" means the enclosed portion of a house that is not a covered patio, porch, carport or garage. For the purposes of determining the projection of an attached garage in relation to the living area, the living area may be on any floor of the residence.

Massing, architectural

"Massing" or "architectural massing" means the perceived three-dimensional form of a building as influenced by size, scale, and shape, not just its outline from a single perspective. Massing influences the sense of space which the building encloses and helps to define both the interior space and the exterior shape of the building. The creation of massing, and changes to it, may be additive (accumulating or repeating masses) or subtractive (creating spaces or voids in a mass by removing parts of it). Massing can also be significantly altered by the materials used for the building's exterior, as transparent, reflective, or layered materials are perceived differently. See also "primary massing" and "secondary massing".

Massing, primary

"Primary massing" means the principal or dominant architectural massing of a structure due its greater size, scale or shape. See "massing, architectural".

Secondary massing

"Secondary massing" means the less dominant massing of a structure due its lesser size, scale or shape when compared to the primary massing. See "massing, architectural".

Pergola

"Pergola" means a type of open sided accessory structure consisting of pillars or posts supporting a partially open roof system. A pergola may be attached to a primary structure or detached.

Plaza

"Plaza" means an area generally open to the public on a controlled basis and used for passive recreational activities, events and relaxation. Plazas are paved areas typically provided with amenities, such as seating, drinking and ornamental fountains, art, trees, and landscaping, for use by pedestrians. A plaza area is wholly or partly enclosed by a building or buildings and has openings to the sky.

Porch

“Porch” means a fully roofed but unenclosed structure projecting from and attached to the main wall of a principal building that may or may not use columns or other ground supports for structural purposes. A porch has a walking surface that is directly accessible from and adjacent to or attached to a principal building. Residential porches are typically located on the front and / or rear of a dwelling and may have setbacks that are different from setbacks for enclosed living areas. Porches may or may not have railings or guards depending on building code or other requirements. See also “Deck”.

Portico

“Portico” means a covered porch or roofed structure leading to the entrance of a building, or extended with a roof structure over a walkway, supported by columns or enclosed by walls.

Primary entrance

“Primary entrance” means the principal pedestrian entry to a structure closest to the public street and the one which is dominant on the building façade due to its size, architectural detail and design.

Roof

“Roof” means a permanently attached structural covering over any portion of a building or structure including horizontal projections beyond the walls or supports of the building or structure, but excluding roof structures, decorative and functional elements specifically exempted from the building height measurement under definition 17.04.550 “Height of Building”.

Roof, flat

“Flat roof” means a roof which is not pitched and the surface of which is parallel to the ground.

Roof, gable

“Gable roof” or “gabled roof” means a roof which slopes from both sides of a ridge.

Roof, gambrel

“Gambrel roof” means a usually symmetrical gable roof with two slopes on each side.

Roof, hipped

“Hipped roof” means a roof with slopes on all four sides, continuous from peak to eaves.

Roof, mansard

“Mansard roof” means a steep, dual-pitched hipped roof allowing a tall attic space; frequently used to add an upper story.

Roof, pitch

“Roof pitch” means the steepness of a roof expressed as a ratio of inch(es) rise per horizontal foot (or their metric equivalent), or as the angle in degrees its surface deviates from the horizontal. A flat roof has a pitch of zero in either instance; all other roofs are pitched.

Roof, primary

“primary roof” means the portion of a building’s roof structure that contributes most to the mass of a building due to its predominance in height, width, length, bulk, or volume of area covered.

Roof, secondary

“Secondary roof” means a roof that is subordinate to the primary roof of a structure due to its lesser contribution to the mass of a building. See “Primary roof”.

Roof, shed

"Shed roof" means a roof having a single sloping plane and no hips, ridges or valleys.

Special Event Permit

“Special event permit” means a permit issued by the Public Works Department or by the Parks and Recreation Department for events that are proposed on public property, or which have the potential to impact public property and rights-of-way.

Warehouse

“Warehouse” means a facility or facilities characterized by extensive warehousing, frequent heavy trucking activity, open storage of material, or nuisances such as dust, noise, and odors, but not involved in manufacturing or production.

Wholesale, wholesaler

“Wholesale” or Wholesaler” means the selling and/or distributing of merchandise to retailers; to industrial, commercial, institutional, or professional business users, or to other wholesalers; acting as agents or brokers and buying merchandise for, or selling merchandise to, such individuals or companies, other than a consumer. This means an entity that buys and sells at wholesale.

Chapter 17.08 LOW DENSITY RESIDENTIAL DISTRICTS

17.08.010 Designated.

The R-10, R-8 and R-6 residential districts are designed for low density residential development.

17.08.020 Permitted uses.

Permitted uses in the R-10, R-8 and R-6 districts are:

- A. Single-family detached residential units;
- B. Accessory uses, buildings and dwellings;
- C. Duplexes;
- D. Triplexes;
- E. Quadplexes;
- F. Townhouses;
- G. Cottage clusters;
- H. Residential homes;
- I. Parks, playgrounds, playfields and community or neighborhood centers;
- J. Home occupations;
- K. Family day care providers;
- L. Farms, commercial or truck gardening and horticultural nurseries on a lot not less than twenty thousand square feet in area (retail sales of materials grown on-site is permitted);
- M. Temporary real estate offices in model homes located on and limited to sales of real estate on a single piece of platted property upon which new residential buildings are being constructed;
- N. Transportation facilities.

17.08.025 Conditional uses.

The following uses are permitted in the R-10, R-8 and R-6 districts when authorized by and in accordance with the standards contained in OCMC 17.56:

- A. Golf courses, except miniature golf courses, driving ranges or similar commercial enterprises;
- B. Bed and breakfast inns/boarding houses;
- C. Cemeteries, crematories, mausoleums and columbariums;
- D. Child care centers and nursery schools;
- E. Emergency service facilities (police and fire), excluding correctional facilities;
- F. Residential care facilities;
- G. Private and/or public educational or training facilities;
- H. Public utilities, including sub-stations (such as buildings, plants and other structures);
- I. Religious institutions;
- J. Assisted living facilities; nursing homes and group homes for over fifteen patients.

17.08.030 Reserved.

Editor's note(s)—Ord. No. 22-1001, § 1(Exh. A), adopted June 1, 2022, repealed § 17.08.030, which pertained to master plans and derived from Ord. No. 18-1009, adopted July 3, 2019.

17.08.035 Prohibited uses.

Prohibited uses in the R-10, R-8 and R-6 districts are:

- A. Any use not expressly listed in OCMC 17.08.020, 17.08.025 or 17.08.030;
- B. Marijuana businesses.

17.08.040 Dimensional standards.

Dimensional standards in the R-10, R-8 and R-6 districts are as follows:

Table 17.08.040

Standard	R-10	R-8	R-6
Minimum lot size ¹			
Single-family detached, duplex and triplex	10,000 square feet	8,000 square feet	6,000 square feet
Quadplex and cottage cluster	10,000 square feet	8,000 square feet	7,000 square feet
Townhouse	1,500 square feet	1,500 square feet	1,500 square feet
Maximum height: All			
All dwelling units, except;	35 feet	35 feet	35 feet
cottage cluster	25 feet	25 feet	25 feet
Maximum building lot coverage			
All dwelling units, except;	40%	40%	40%
With ADU	45%	45%	45%
Cottage cluster	None	None	None
Minimum lot width			
All dwelling units, except;	65 feet	60 feet	50 feet
Townhouse	20 feet	20 feet	20 feet
Minimum lot depth			
All dwelling units, except;	80 feet	75 feet	70 feet
Townhouse	75 feet	75 feet	70 feet
Minimum front yard setback			

All dwelling units, except;	20 feet	15 feet	10 feet
Cottage cluster	10 feet	10 feet	10 feet
Porch	15 feet	15 feet	15 feet
Minimum interior side yard setback			
All dwelling units, except;	8 feet	7 feet	5 feet
Except Townhouse	0 feet (attached)/8 feet (side)	0 feet (attached)/7 feet (side)	0 feet (attached)/5 feet (side)
Minimum corner side yard setback			
All dwelling units, except;	10 feet	10 feet	10 feet
Minimum rear yard setback			
All dwelling units, except;	20 feet	20 feet	20 feet
Porch	15 feet	15 feet	15 feet
ADU	10 feet	10 feet	10 feet
Cottage cluster	10 feet	10 feet	10 feet
Garage setbacks			
All dwelling units, except;	20 feet from ROW	20 feet from ROW	20 feet from ROW
From alley	5 feet	5 feet	5 feet
Minimum separation between existing city dwelling unit abutting the Park Place Concept Plan boundary and new dwelling unit	40 feet	40 feet	40 feet

Notes:

1. For land divisions, lot sizes may be reduced pursuant to OCMC 16.08.065.
2. Accessory structures may have reduced setbacks pursuant to OCMC 17.54.010.B.
3. Public utility easements may supersede the minimum setback.

17.08.045 Exceptions to setbacks.

- A. Projections from Buildings. Ordinary building projections such as cornices, eaves, overhangs, canopies, sunshades, gutters, chimneys, flues, sills or similar architectural features may project into the required yards up to twenty-four inches.

- B. Through Lot Setbacks. Through lots having a frontage on two streets shall provide the required front yard setback on each street. The required rear yard setback is not necessary.

17.08.050 Density standards.

- A. Density standards in the R-10, R-8 and R-6 districts are as follows:

Table 17.08.050

Standard	R-10	R-8	R-6
Minimum net density: All	3.5 du/acre	4.4 du/acre	5.8 du/acre
Except cottage clusters	4 du/acre	4.4 du/acre	5.8 du/acre
Maximum net density: All	4.4 du/acre	5.4 du/acre	7.3 du/acre
Except townhouses	17.4 du/acre	21.6 du/acre	25 du/acre

- B. Exceptions.
- Any dwelling units created as accessory dwelling units do not count towards the minimum or maximum density limits in Table 17.08.050.
 - Duplexes, triplexes and quadplexes shall count as a single dwelling unit for the purposes of calculating maximum net density. Total dwelling units within a development may count for the purposes of calculating minimum net density.
 - Cottage clusters are exempt from maximum net density standards.

17.08.055 Additional standards for the Park Place Concept Plan Area.

- A. Applicability. This section applies to all development in the Low Density Residential District within the Park Place Concept Plan Area.
- B. Relationship of Standards. These standards apply in addition to and supersede the standards of the R-10 zone within the Park Place Concept Plan Area. In the event of a conflict, the standards of this section control.
- C. Perimeter Transition. Along the boundary of the Park Place Concept Plan area where new development is proposed abutting an existing residential development within the city, the following additional standards shall apply to create a perimeter transition:
- Where any portion of a lot abuts existing residential development within the city outside of the concept plan area boundary, uses shall be limited to residential uses and roads, parks, trails, and open space.
 - Where any portion of a lot abuts existing residential development within the city outside of the concept plan area boundary, the minimum lot size, width, and depth shall meet the minimum dimensions of the abutting city residential zone district. For example, a lot inside the Park Place Concept Plan Area which abuts a city lot outside of the concept plan area that is zoned R-6 shall meet the minimum dimensions of the R-6 zone even when the lot inside the Concept Plan Area has a different zoning designation.
 - Where any portion of a proposed lot abuts existing city residential development outside of the concept plan area boundary, all primary structures shall be set back a minimum of forty feet from existing dwelling units outside the plan boundary.
 - Within the forty-foot setback required in (4) above, a combination of landscaping and screening shall be provided to buffer the perimeter. The landscaping shall meet any combination of the following standards:

-
- a. Plant a minimum twelve inches total diameter of trees spaced an average of one tree for every thirty linear feet. Planted trees shall be a minimum caliper size of two inches at the time of planting and may be tree species chosen from the City's adopted street tree list or as recommended by a certified arborist or landscape architect. The trees may be planted on residential lots or in an abutting tract.
 - b. Preserve existing trees that have a minimum diameter of six inches DBH to achieve a minimum of twelve inches total diameter of preserved trees spaced a minimum of fifteen feet apart. Trees selected for preservation shall not be dead, diseased, dying or hazardous and shall not be invasive species. The preserved trees may be located on residential lots or in an abutting tract created for tree preservation consistent with OCMC 17.41.050.B;
 - c. Preserve existing native vegetation and trees within or adjacent to the Natural Resources Overlay District in compliance with OCMC 17.49 to achieve a minimum of twelve inches total diameter of native trees spaced an average of one tree for every thirty linear feet. Native trees selected for preservation may be smaller than 6 inches diameter at breast height but not smaller than one inch caliper as measured six inches above the root crown. Native trees may be located on residential lots or in an abutting tract created for tree and habitat preservation consistent with OCMC 17.49.
 5. An alternative perimeter transition may be proposed as part of a master plan per OCMC 17.65, provided it is consistent with the goals of the adopted Park Place Concept Plan.

Chapter 17.10 MEDIUM DENSITY RESIDENTIAL DISTRICTS

17.10.010 Designated.

The R-5 and R-3.5 residential districts are designed for medium density residential development.

17.10.020 Permitted uses.

Permitted uses in the R-5 and R-3.5 districts are:

- A. Single-family detached residential units;
- B. Accessory uses, buildings and dwellings;
- C. Duplexes;
- D. Triplexes;
- E. Quadplexes;
- F. Townhouses;
- G. Cottage clusters;
- H. Manufactured home parks or subdivisions in the R-3.5 district only;
- I. Residential homes;
- J. Parks, playgrounds, playfields and community or neighborhood centers;
- K. Home occupations;
- L. Family day care providers;
- M. Farms, commercial or truck gardening and horticultural nurseries on a lot not less than twenty thousand square feet in area (retail sales of materials grown on-site is permitted);
- N. Temporary real estate offices in model homes located on and limited to sales of real estate on a single piece of platted property upon which new residential buildings are being constructed;
- O. Transportation facilities.

17.10.025 Conditional uses.

The following uses are permitted in the R-5 and R-3.5 districts when authorized by and in accordance with the standards contained in OCMC 17.56:

- A. Golf courses, except miniature golf courses, driving ranges or similar commercial enterprises;
- B. Bed and breakfast inns/boarding houses;
- C. Cemeteries, crematories, mausoleums and columbariums;
- D. Child care centers and nursery schools;
- E. Emergency service facilities (police and fire), excluding correctional facilities;
- F. Residential care facilities;
- G. Private and/or public educational or training facilities;
- H. Public utilities, including sub-stations (such as buildings, plants and other structures);
- I. Religious institutions;

- J. Assisted living facilities; nursing homes and group homes for over fifteen patients;
- K. Live/work dwellings.

17.10.030 Master plans.

The following use is permitted in the R-3.5 district when authorized by and in accordance with the standards contained in OCMC 17.65.

- A. Multi-family residential.

17.10.035 Prohibited uses.

Prohibited uses in the R-5 and R-3.5 districts are:

- A. Any use not expressly listed in OCMC 17.10.020, 17.10.025 or 17.10.030.
- B. Marijuana businesses.

17.10.040 Dimensional standards.

Dimensional standards in the R-5 and R-3.5 districts are as follows:

Table 17.10.040

Standard	R-5	R-3.5
Minimum lot size ¹		
Single-family detached and duplex	5,000 square feet	3,500 square feet
Triplex	5,000 square feet	5,000 square feet
Quadplex and cottage cluster	7,000 square feet	7,000 square feet
Townhouse	1,500 square feet	1,500 square feet
Maximum height		
All dwelling units, except;	35 feet	35 feet
cottage cluster	25 feet	25 feet
Maximum building lot coverage		
Single-family detached and duplex	50%	55%
With ADU	60%	65%
Triplex, quadplex and townhouse	70%	80%
Cottage cluster	None	None
Minimum lot width		
All dwelling units, except;	35 feet	25 feet
Townhouse	20 feet	20 feet
Minimum lot depth	70 feet	70 feet
Minimum front yard setback		
All dwelling units, except;	10 feet	5 feet
Porch	5 feet	0 feet
Minimum interior side yard setback		

All dwelling units, except;	5 feet	5 feet
Townhouse	0 feet (attached)/5 feet (side)	0 feet (attached)/5 feet (side)
Minimum corner side yard setback	7 feet	7 feet
Minimum rear yard setback		
All dwelling units, except;	20 feet	20 feet
Porch	15 feet	15 feet
ADU	10 feet	5 feet
Cottage cluster	10 feet	10 feet
Garage setbacks		
All dwelling units, except;	20 feet from ROW	20 feet from ROW
From alley	5 feet	5 feet
Minimum separation between existing city dwelling unit abutting the Park Place Concept Plan boundary and new dwelling unit	40 feet	40 feet

Notes:

1. For land divisions, lot sizes may be reduced pursuant to OCMC 16.08.065.
2. Accessory structures may have reduced setbacks pursuant to OCMC 17.54.010.B.
3. Public utility easements may supersede the minimum setback.

17.10.045 Exceptions to setbacks.

- A. Projections from buildings. Ordinary building projections such as cornices, eaves, overhangs, canopies, sunshades, gutters, chimneys, flues, sills or similar architectural features may project into the required yards up to twenty-four inches.
- B. Through lot setbacks. Through lots having a frontage on two streets shall provide the required front yard setback on each street. The required rear yard setback is not necessary.

17.10.050 Density standards.

- A. Density standards in the R-5 and R-3.5 districts are as follows:

Table 17.10.050

Standard	R-5	R-3.5
Minimum net density		
• All, except	7.0 du/acre	10 du/acre
• Multi-family		17.4 du/ac
Maximum net density		
• All, except	8.7 du/acre	12.4 du/acre
• Townhouse	25 du/acre	25 du/acre
• Multi-family		21.8 du/acre
<i>Affordable Housing Bonus</i>		26.2 du/acre

B. Exceptions.

1. Any dwelling units created as accessory dwelling units do not count towards the minimum or maximum density limits in Table 17.10.050.
2. Duplexes triplexes and quadplexes shall count as a single dwelling unit for the purposes of calculating maximum net density. Total dwelling units within a development may count for the purposes of calculating minimum net density, and also for the purposes of calculating minimum housing diversity.
3. Cottage clusters are exempt from maximum net density standards.
4. Multi-family residential development shall comply with the applicable Site Plan and Design Review standards in OCMC 17.62.
5. Affordable housing density bonus. Multi-family residential projects in the R-3.5 zone with five or more units on a single lot are eligible for a density bonus in exchange for developing affordable housing. A bonus of one additional dwelling unit per affordable unit included in the project, up to a maximum twenty percent increase from maximum net density up to 26.2 du/acre, is allowed. Projects containing exclusively affordable units may develop to the maximum twenty percent increase or 26.2 du/acre. Affordable units shall be affordable to households earning equal to or less than eighty percent of the area median income as defined by the U.S. Department of Housing and Urban Development, adjusted for household size, and guaranteed affordable for a minimum term of 30 years through restrictive covenant or other similar guarantee approved by the community development director.

17.10.060 Conversion of existing duplexes.

Any conversion of an existing duplex unit into two single-family attached dwellings shall be reviewed for compliance with the land division requirements in Title 16 and the underlying zone district.

17.10.070 Additional standards for Thimble Creek Concept Plan Area.

- A. Applicability. This section applies to all development in the R-5 district within the Thimble Creek Concept Plan Area.
- B. Relationship of Standards. These standards apply in addition to and supersede the standards of the R-5 zone within the Thimble Creek Concept Plan Area. In the event of a conflict, the standards of this section control.
- C. Southern Perimeter Transition. Along the southern boundary of the Thimble Creek Concept Plan area between Beavercreek Road and the eastern-most point of Tax Lot 00316, located on Clackamas County Map #32E15A, additional standards apply to create a perimeter transition.
 1. Where any portion of a lot is within twenty feet of the southern boundary, uses shall be limited to residential uses and roads, parks, trails, and open space.
 2. Where any portion of a lot is within twenty feet of the southern boundary, the minimum lot size for residential uses shall be six thousand square feet for single-family detached dwellings, duplexes and triplexes. Minimum lot size shall be one thousand five hundred square feet for townhouses. Minimum lot size shall be seven thousand square feet for quadplexes and cottage clusters.
 3. Where any portion of a lot is within twenty feet of the southern boundary, all primary structures shall be set back a minimum of forty feet from the southern boundary.
 4. Within the forty-foot wide setback from the southern boundary, a combination of landscaping and screening shall be provided to buffer the perimeter. The landscaping and screening shall meet one of the two standards:
 - a. Utilize existing vegetation in compliance with OCMC 17.41, resulting in preservation of a minimum of twelve inches total DBH per lot with trees spaced an average of one tree for every thirty linear feet along the southern property line. These trees may be located on the residential

lots or an abutting tract created for tree preservation consistent with OCMC 17.41.050.B or other similar landscaping or open space purpose.

- b. Provide a combination of new landscaping and screening to include:
 - i. A minimum of twelve inches of total DBH, or a minimum of an average of one tree with minimum caliper of two inches DBH for every thirty linear feet along the southern property line, whichever is greater; and
 - ii. A minimum six-foot tall, decorative, sight-obscuring fence or wall running parallel to the southern boundary. The fence or wall shall be constructed of wood, stone, rock, or brick. Other durable materials may be substituted with the community development director's approval. Chain-link fencing with slats shall not be allowed to satisfy this standard.
- 5. An alternative southern perimeter transition may be proposed as part of a master plan per OCMC 17.65, provided it is consistent with the goals of the adopted Thimble Creek Concept Plan.

17.10.080 Additional standards for the Park Place Concept Plan Area.

- A. Applicability. This section applies to all development in the Medium Density districts within the Park Place Concept Plan Area.
- B. Relationship of Standards. These standards apply in addition to and supersede the standards of the R-5 zone within the Park Place Concept Plan Area. In the event of a conflict, the standards of this section control.
- C. Perimeter Transition. Along the boundary of the Park Place Concept Plan area where new development is proposed abutting existing residential development within the city the following additional standards shall apply to create a perimeter transition.
 - 1. Where any portion of a lot abuts existing residential development within the city outside of the concept plan area boundary, uses shall be limited to residential uses and roads, parks, trails, and open space.
 - 2. Where any portion of a lot abuts existing residential development within the city outside of the concept plan area boundary, the minimum lot size width, and depth shall meet the minimum dimensions of the abutting city residential zone district. For example, a lot inside the Park Place Concept Plan Area which abuts a city lot outside of the concept plan area that is zoned R-6 shall meet the minimum dimensions of the R-6 zone even when the lot inside the Concept Plan Area has a different zoned designation.
 - 3. Where any portion of a proposed lot abuts existing city residential development outside of the concept plan area boundary, all primary structures shall be set back a minimum of forty feet from existing city dwelling units outside the plan boundary.
 - 4. Within the forty-foot setback required in (4) above, landscaping shall be provided to buffer the perimeter. The landscaping shall meet any combination of the following standards:
 - a. Plant a minimum twelve inches total diameter of trees spaced an average of one tree for every thirty linear feet. Planted trees shall be a minimum caliper size of two inches at the time of planting and may be tree species chosen from the City's adopted street tree list or as recommended by a certified arborist or landscape architect. The trees may be planted on residential lots or in an abutting tract.
 - b. Preserve existing trees that have a minimum diameter of six inches DBH to achieve a minimum of twelve inches total diameter of preserved trees spaced a minimum of fifteen feet apart. Trees selected for preservation shall not be dead, diseased, dying or hazardous and shall not be invasive species. The preserved trees may be located on residential lots or in an abutting tract created for tree preservation consistent with OCMC 17.41.050.B;

- c. Preserve existing native vegetation and trees within or adjacent to the Natural Resources Overlay District in compliance with OCMC 17.49 to achieve a minimum of twelve inches total diameter of native trees spaced an average of one tree for every thirty linear feet. Native trees selected for preservation may be smaller than 6 inches diameter at breast height but not smaller than one inch caliper as measured six inches above the root crown. Native trees may be located on residential lots or in an abutting tract created for tree and habitat preservation consistent with OCMC 17.49.
- 5. An alternative perimeter transition may be proposed as part of a master plan per OCMC 17.65, provided it is consistent with the goals of the adopted Park Place Concept Plan.

Chapter 17.21 RESIDENTIAL STANDARDS—PARK PLACE CONCEPT PLAN AREA

17.21.010 - Purpose.

The standards of this section are intended to ensure new residential development implements the goals and policies of the Park Place Concept Plan area in compliance with state housing laws in order to promote high-quality residential development and construction, protect property values, encourage visual variety and architectural compatibility, ensure diversity of housing types, and promote an integrated character in the Park Place Concept Plan area. Specifically, the standards shall:

- A. Provide clear and objectives standards for residential development.
- B. Promote new residential developments that are distinctive, have character, and relate and connect to established neighborhoods in Oregon City;
- C. Provide variety and visual interest in the exterior design of residential buildings;
- D. Provide for a variety of lot sizes and housing types for a range of households and age groups;
- E. Enhance the residential streetscape and diminish the prominence of garages and parking areas;
- F. Enhance public safety by preventing garages from obscuring main entrances or blocking views of the street from inside residences; and
- G. Improve the compatibility of new residential development with the residential character of surrounding neighborhoods.

17.21.020 - Applicability.

- A. These standards apply to all new residential construction within the Medium and Low Density Residential Districts within the adopted boundaries of the Park Place Concept Plan area. Additions of more than 50% of the existing gross floor area for homes existing prior to the adoption of this chapter in the Park Place Concept Plan area are subject to this section.
- B. These standards are applicable in addition to the following residential design standards. In the event of conflicting standards, this Chapter shall control.
 - 1. Single-family detached and duplex residential units shall comply with the applicable standards in OCMC Chapter 17.14.
 - 2. Townhouses, triplexes, quadplexes, and cottage clusters in any zone shall comply with the applicable standards in OCMC Chapter 17.16.
 - 3. Accessory dwelling units, live/work dwellings, and manufactured home parks shall comply with the applicable standards in OCMC Chapter 17.20.
- C. These standards do not apply to multi-family development, live-work units, or mixed-use development.

17.21.025 - Modifications that will better meet residential standards.

- A. Residential plans that conform to the following standards may be approved as a Type I Decision or with a building permit application. Residential plans that require approval of an exemption or modification may be approved as a Type II Land Use decision at time of land division, or through a Type II modification prior to building permit application.
- B. An applicant has the option of seeking a modification pursuant to the following criteria. Applicants may also request a variance to this standard pursuant to OCMC Chapter 17.60 or as a master plan adjustment to development standards pursuant to OCMC Chapter 17.65.

1. Criteria for modification to the standards:
 - i. The modification will result in a development that better meets the applicable residential standard or housing diversity standard.
 - ii. The modification or modifications are consistent with the purpose and intent of this Chapter as discussed in section 17.21.010 above.

17.21.030 - Roof design.

- A. Primary roofs shall be pitched at a minimum ratio of five-twelfths, except for non-gabled dormers, covered porches, or secondary roofs and masses.
- B. Flat roofs and shed roofs are not permitted except on accessory structures and for carports.
- C. Other primary roof forms may be proposed through the Type II modification process per Section 17.21.025.

17.21.040 - Massing.

New residences shall have a massing that is compatible with the envisioned pedestrian friendly neighborhoods of the concept plan area which is accomplished by regulating the overall building footprint.

- A. Residences with footprints over one thousand two hundred square feet (not including porch or deck areas) shall provide for secondary massing (such as cross gabled wings or sunroom/kitchen/dining room extensions) under separate rooflines. Each secondary mass shall not have a footprint larger than six hundred square feet.
- B. Porches, additions and attached garages with separate rooflines may also be used to satisfy the massing requirements above.

17.21.050 – Porches and entries.

- A. Each residence shall contain a front porch with a front door that faces the street that is at least eighty square feet with no dimension under six feet with the wider dimension parallel to the street. The front porch shall be covered.
- B. All subdivisions shall have at least seventy-five percent of the housing utilize front porches as approved under subsection A above.
- C. Each residence shall have a separate delineated pedestrian connection from the front door of the unit to the sidewalk that is a minimum width of three feet. The pedestrian connection shall be separate from a driveway.

17.21.060 - Architectural details.

- A. Residences shall contain architectural details. Each of the types of details listed below are worth one point unless otherwise noted. Residences shall achieve the equivalent of five points worth of architectural details.
 1. Stonework detailing on columns or across foundation.
 2. Brick or stonework covering more than ten percent of the front facade.
 3. Wood, clad wood, or fiberglass windows on all four elevations of the building (two points).
 4. Decorative roofline elements (choose two): Roof brackets, rake board at edge of all roof and porch, eaves, roof eaves that extend at least eighteen inches.
 5. Decorative siding elements (choose two): Barge board/frieze boards (minimum eight inches) under eaves, waterboard at foundation line and between floors (minimum six inches), corner board at all corners.

6. Decorative porch elements (choose one): Scrolls, brackets, or wrapped and finished porch railings and posts.
7. Decorative shingle design covering ten percent of the facade.

17.21.070 - Siding Materials.

- A. Siding materials shall include:
1. Brick,
 2. Basalt stone or basalt veneer,
 3. Horizontal plank, lap or tongue and groove siding (wood or composite),
 4. Vertical panel board and batten siding (wood or composite), or
 5. Shingle or shake siding and panels (wood or composite).

17.21.080 - Windows.

- A. All elevations shall provide an average of one window every fifteen feet of linear elevation on each floor of each elevation. If shutters are used, they shall be half of the window opening each such that the entire window opening is covered when they are closed.
- B. All windows shall include trim a minimum of two inches in width on all elevations.

17.21.090 – Garage Orientation

- A. Front loaded garages and driveway cuts shall not be permitted on any road designated as a collector, neighborhood collector, minor arterial or arterial street.
- B. Front loaded garages and driveway cuts shall not be permitted abutting a public street that abuts a public park.

17.21.095 - Accessory Structures

- A. Detached Accessory structures over 200 square feet in size shall be designed consistent with the primary residence as follows:
1. Exterior siding materials visible from the street shall match the principal exterior siding material and exposed width of siding on the principal dwelling.
 2. All windows shall include the same trim type and size as those on the principal dwelling unit, provided that the size of the trim shall be a minimum of two inches in width.
 3. Eaves shall project from the building walls at the same distance as the eaves on the principal dwelling unit.

17.21.105 – Park Place Concept Plan Housing Diversity Standards

- A. Purpose
1. To promote a more diverse community through the provision of a variety of housing types.
 2. To discourage developments that are dominated by a single type of home or dwelling unit with a narrow range of price points and densities.
 3. To encourage “neighborhood-oriented” residential developments that incorporate a variety of housing types, including duplex, tri-plex, quad-plex, cottage clusters, live-work units, townhomes, apartments, and single-family dwelling units in a range of sizes.

B. Applicability of Standards:

1. These standards apply at the time of an application for a subdivision or partition.
2. The standards of this section shall not apply to:
 - a. Residential developments that have been approved with modifications per subsection 17.21.025.(B).
 - b. Any housing units proposed within the Neighborhood Commercial zone (NC).

C. A residential subdivision shall provide a minimum number of lots for Middle Housing, based on the size of the development as required in Table 17.21.105:

TABLE 17.21.105:

Minimum Required Housing Diversity within the Park Place Concept Plan Area	
Net Developable Area*	Required Minimum % of Lots for Middle Housing**
0—1 Acres	1 housing type
1.1 to 10 Acres	15%
10.1 to 30 Acres	20%
30.1 Acres+	25%

*The Development Site is based on the Net Developable Area and may comprise multiple parcels or properties. See Definition in OCMC 17.04.810, "Net developable area".

**See Definition in OCMC 17.04.752, "Middle housing" means duplexes, triplexes, quadplexes, townhouses and cottage clusters.

- D. To achieve better distribution of housing types within a residential development, no more than three middle housing original lots shall be permitted to abut one another. For purposes of this section, "abut" or "abutting" means lots share a common lot line for a minimum of ten feet. This standard is applicable only to the residential subdivision or partition review.
- E. The middle housing lots shall be identified on the preliminary plans and the final plat of the subdivision through a plat note.
- F. Following recordation of a final plat that complies with this section, this standard shall be satisfied. This standard does not preclude future additional middle housing units or middle housing land divisions within a residential subdivision or partition.

Chapter 17.24 NC NEIGHBORHOOD COMMERCIAL DISTRICT

17.24.010 Designated.

The neighborhood commercial district is designed for small-scale commercial and mixed-uses designed to serve a convenience need for residents in the surrounding low-density neighborhood. Land uses consist of small and moderate sized retail, service, office, multi-family residential uses or similar. This district may be applied where it is appropriate to reduce reliance on the automobile for the provision of routine retail and service amenities, and to promote walking and bicycling within comfortable distances of adjacent residential infill neighborhoods, such as within the Park Place and South End Concept Plan areas. Approval of a site plan and design review application pursuant to OCMC 17.62 is required.

17.24.020 Permitted uses—NC.

The following uses are permitted within the neighborhood commercial district:

- A. The following uses are permitted, provided the maximum footprint for a stand-alone building with a single store or multiple buildings with the same business does not exceed ten thousand square feet, unless otherwise restricted in this chapter;
 - 1. Child care centers and/or nursery schools.
 - 2. Health and fitness clubs.
 - 3. Museums, libraries and cultural facilities.
 - 4. Offices, including finance, insurance, real estate and government.
 - 5. Outdoor markets, such as produce stands, craft markets and farmers markets that are operated on the weekends and after six p.m. during the weekday.
 - 6. Postal services.
 - 7. Repair shops, for radio and television, office equipment, bicycles, electronic equipment, shoes and small appliances and equipment.
 - 8. Restaurants, eating and drinking establishments without a drive-through.
 - 9. Services, including personal, professional, educational and financial services; laundry and dry-cleaning.
 - 10. Retail trade, including grocery, hardware and gift shops, bakeries, delicatessens, florists, pharmacies, specialty stores,
 - 11. Seasonal sales.
 - 12. Studios and galleries, including dance, art, photography, music and other arts.
 - 13. Utilities: Basic and linear facilities, such as water, sewer, power, telephone, cable, electrical and natural gas lines, not including major facilities such as sewage and water treatment plants, pump stations, water tanks, telephone exchanges and cell towers.
 - 14. Veterinary clinics or veterinary hospitals, pet day care.
 - 15. Home occupations.
- B. Grocery stores, provided the maximum footprint for a stand-alone building with a single store or multiple buildings with the same business does not exceed forty thousand square feet;

- C. Live/work dwellings;
- D. Outdoor sales that are ancillary to a permitted use on the same or abutting property under the same ownership.
- E. Additional uses permitted within the Thimble Creek Concept Plan area per OCMC 17.24.50.(C).
- F. Additional uses permitted within the Park Place Concept Plan area per OCMC 17.24.060.(C).

17.24.025 Conditional uses.

The following conditional uses may be permitted when approved in accordance with the process and standards contained in OCMC 17.56:

- A. Any use permitted in the neighborhood commercial district that has a building footprint in excess of ten thousand square feet;
- B. Emergency and ambulance services;
- C. Drive-through facilities;
- D. Outdoor markets that are operated before six p.m. on weekdays;
- E. Public utilities and services such as pump stations and sub-stations;
- F. Religious institutions;
- G. Public and or private educational or training facilities;
- H. Gas stations;
- I. Hotels and motels, commercial lodging;

17.24.035 Prohibited uses.

The following uses are prohibited in the NC District:

- A. Distributing, wholesaling and warehousing;
- B. Outdoor storage;
- C. Outdoor sales that are not ancillary to a permitted use on the same or abutting property under the same ownership;
- D. Hospitals;
- E. Kennels;
- F. Motor vehicle sales and incidental service;
- G. Motor vehicle repair and service;
- H. Self-service storage facilities;
- I. Heavy equipment service, repair, sales, storage or rental (including but not limited to construction equipment and machinery and farming equipment);
- J. Marijuana production, processing, wholesaling, research, testing, and laboratories;
- K. Residential use on the ground floor unless set back a minimum of one hundred feet from the property line along Livesay Road / Main Street

17.24.040 Dimensional standards.

Dimensional standards in the NC district are:

- A. Minimum Building Height. None, however, the City encourages multi-story development designs that incorporate retail, live-work and multi-family uses subject to applicable standards.
 - a. Non-regulatory incentives. Applicants are encouraged to consider the vertical housing tax credit program, storefront improvement grant program and other incentives that may be available through the Economic Development Department.
- B. Maximum building height: Forty-five feet or three stories, whichever is less.
- C. Maximum building footprint: Ten thousand square feet.
- D. Minimum required setbacks if not abutting a residential zone: None.
- E. Minimum required interior and rear yard setbacks if abutting a residential zone: Ten feet plus one-foot additional yard setback for every one foot of building height over thirty-five feet.
- F. Maximum Allowed Setback.
 - 1. Front yard setback: Five feet.
 - 2. Interior yard setback: None.
 - 3. Corner side yard setback abutting a street:
 - (a) thirty feet;
 - (b) five feet in the Thimble Creek and Park Place Concept Plan areas.
 - 4. Rear yard setback: None.
- G. Public utility easements may supersede the minimum setback. Maximum setback may be increased per OCMC 17.62.055.D.
- H. 1. Standards for residential uses: Residential uses shall meet the minimum net density standards for the R-3.5 district, except that no minimum net density shall apply to residential uses proposed above nonresidential uses in a mixed-use configuration or to live/work dwellings. Any new lots proposed for exclusive residential use shall meet the minimum lot size and setbacks for the R-3.5 zone for the proposed residential use type.
- I. Minimum required landscaping: twenty percent. Required landscaping areas may include:
 - a. Landscaping within a parking lot.
 - b. Planter boxes.
 - c. Eco or green roofs.
 - d. Paved courtyard or plaza with at least twenty-five percent of the area used for landscaping, planter boxes, and/or water features including shade trees planted at the ratio of one tree for every five hundred square feet of urban plaza area.
 - e. Low Impact Development (LID) stormwater facilities

17.24.060 Additional standards for Park Place Concept Plan Area.

- A. Applicability. This section applies to all development in the NC district within the Park Place Concept Plan Area.
- B. Relationship of Standards. These standards apply in addition to the standards of the NC zone district within the Park Place Concept Plan area. In the event of a conflict, the standards of this section shall prevail. Type II modification of these standards is permitted pursuant to Section 17.62.015. If applicable, applicants may also request a Type III variance from these standards pursuant to Chapter 17.60 – Variances or a Master Plan adjustment pursuant to OCMC 17.65.070 - 17.65.070 - Adjustments to development standards.

C. Additional Permitted Uses.

1. Civic Uses. Civic uses permitted include non-profit, private, and government uses such as art galleries, museums, indoor and outdoor music and theatre venues, childcare facilities, , clubs and lodges, and libraries, community centers, environmental learning centers, and post offices.
2. Off-site stormwater facilities that are less than .5 square acres in size, An “off-site” facility is one that accommodates stormwater that is created at a location zoned R-10, R-8, R-6, R-5, R-3.5 or R-2 and includes the following:
 - a. A public access easement and maintenance agreement.
 - b. An improved soft surface trail at least 4 feet wide providing access to at least three benches for public use.
3. Park land improvements that are less than .75 acres in size.

D. Residential Uses. Residential uses shall be subject to the following additional standards:

1. Residential uses are permitted but shall not be located on the ground floor within the Park Place Concept Plan Neighborhood Commercial Zoning District except as provided under (2) below.
2. All ground-floor residential uses, except for entrances for upper-story residential uses, shall be set back a minimum of one hundred feet from the property line along Livesay Road / Main Street.
3. Upper-story residential uses are permitted.
4. Live/work dwellings are subject to OCMC 17.20.040. Live/work dwellings are not subject to OCMC 17.24.035(K) and are not subject to OCMC 17.24.060 (D) (1) or (2).

F. Site Design Standards. The standards in Section 17.62.055 shall apply to neighborhood commercial development within the Park Place Concept Plan area.

1. Siting of structures. At least sixty percent of the site frontage width shall be occupied by buildings placed within five feet of the property line. For sites with less than one hundred feet of street frontage, at least fifty percent of the site frontage width shall be occupied by buildings placed within five feet of the property line.
2. Parking. Parking areas shall be located behind the building façade that is closest to the street or below buildings. Parking areas shall not be located on the sides of buildings or between the street and the building façade that is closest to the street. On-street parking is permitted subject to street standards in Chapter 16.12 and may be credited toward required off-street parking pursuant to the Off-street Parking and Loading standards in Chapter 17.52.
3. Building facades and entrances. All buildings along the street frontage shall face the front most architecturally significant facade toward the street and have a functional primary building entrance facing the street. Primary building entrances shall be clearly defined and recessed or framed by a sheltering element such as an awning, arcade or portico in order to provide shelter from the summer sun and winter weather.
4. Pedestrian Elements. Buildings located along the Village Center main streets in Park Place (Livesay Road, Donovan Road, Swan Avenue) shall incorporate a minimum of three (3) of the following elements in the front setback area. These standards are intended to create more transparency and visual interest of buildings, particularly for pedestrians at the street level in order to encourage residents to gather and customers to relax and linger.
 - (a) Canopies or overhangs (5'-0" minimum depth, measured from either the face of the column or the street-facing elevation) for 50% of the width of the building. Canopies shall not project into public utility easements or right-of-way without obtaining proper permitting.
 - (b) Transom window at least 60% of façade width.

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- (c) Storefront frieze, horizontal sign band, or a belt course above the transom window or mezzanine level.
 - (d) Window planter box (minimum of one per window).
 - (e) Projected window sill (at least 2" from building wall plane and 12" to 24" above grade).
 - (f) A plaza, courtyard, square or extra-wide sidewalk next to the building entrance (minimum width of six feet)
 - (g) Sitting space (i.e., dining area, benches, garden wall or ledges between the building entrance and sidewalk) with a minimum of 16 inches in height and 30 inches in width, and located within thirty feet of the street frontage. Sitting space shall include ADA accessible seating.
 - (h) Public art (e.g., fountain, sculpture).
 - (i) Landscape treatments integrating arbors, low walls, trellis work; or similar elements.
 - (j) Enhanced architectural details such as tile work and moldings distinct from the principal facade treatments.
5. Corner Building Entrances. These standards apply to the first 50 feet of depth of property in the NC zone district where a building is located at a corner. One of the following building entry standards shall be met.
- (a) Locate the primary entry to the building at the corner of the building or within 25 feet of the corner of the building.
 - (b) Incorporate prominent architectural elements, such as increased building height or massing, a cupola, a turret, or a pitched roof, at the corner of the building or within 25 feet of the corner of the building.
 - (c) Chamfer the corner of the building (i.e. cut the corner at a 45-degree angle and a minimum of 10 feet from the corner) and incorporate 2 of the following list of elements in the cut.
 - i. Extended sheltering weather protection (arcade, canopy, or awning).
 - ii. Special paving materials differing from adjoining walkway.
 - iii. Sitting space (i.e., dining area, benches, garden wall or ledges) between the building entrance and sidewalk with a minimum of 16 inches in height and 30 inches in width.
 - iv. Planter boxes

17.62.061 and 16.08.043 - Additional public park, trail and open space requirements in Park Place Concept Plan Area

[Note: These are entirely new sections of code that will apply to residential and non-residential development in the Park Place Concept Plan area. The numbering format of this draft code section is subject to further revision, but the same section will be added to both OCMC 17.62 – Site Plan and Design Review, and OCMC 16.08 – Land Divisions]

A. Dedication requirements.

1. Where a proposed park, playground, trail, or open space shown within any of the adopted Plans and Figures listed under (3) below is located in whole or in part in a proposed residential land division, the applicant shall dedicate or reserve such area within the development pursuant to the standards of this section, provided that the reservation or dedication is roughly proportional to the impact of the development on the park system.
2. Acquisition by public agency. If the applicant is required to reserve land area for a park, trail or open space, such land shall be acquired by the appropriate public agency within 18 months following plat approval, at a price agreed upon prior to approval of the plat, or such reservation shall be released to the subdivider.
3. Adopted Plans and Figures:
 - a. Oregon City Parks Master Plan Update (2024)
 - b. Oregon City Parks and Recreation Master Plan Update (2008)
 - c. Oregon City Trails Master Plan (2004)
 - d. Oregon City Conceptual Trails Map (2004) Map – Existing and Proposed Trails (Trails L-5, L-6 and L-7)
 - e. Park Place Concept Plan (2008) – Figure 3-4. Concept Plan Street System Map (Off-Street Trails)
 - f. Park Place Concept Plan (2008) – Figure 3-8: Proposed Trail System
 - g. Oregon City Transportation System Plan (2013) - Figure 5. Multi Modal Connectivity Plan
 - h. Oregon City Transportation System Plan (2013) – Figure 19: Walking Solutions (P. 64)
 - i. Oregon City Transportation System Plan (2013) – Figure 20: Biking Solutions (P. 65)
 - j. Oregon City Transportation System Plan (2013) – Figure 21: Shared Walking and Biking Solutions (P. 66)

B. Non-Residential development park dedication.

Commercial development shall contribute to the creation of the parks, trails and open space within the Park Place Concept Plan boundaries by contributing a fee-in-lieu to the city to support the acquisition of needed park and open space land as follows:

1. The fee-in-lieu of dedication (in dollars per acre) shall be set by City Commission resolution based on relevant economic indices and the typical market value of developed property (residential lots) in Oregon City net of related development costs.
2. The fee-in-lieu or other equivalent monetary contribution, approved by the community development director, shall be paid prior to approval of the first certificate of occupancy within the commercial development.

3. The fee-in-lieu shall be retained in a dedicated account by the city for the acquisition of land for park, trail and open space acquisition as depicted in the plans and figures listed in (A)(3) within the Park Place Concept Plan area.
4. Once all land depicted in (A)(3) is acquired, no further fee-in-lieu of dedication shall be assessed.

C. Residential development park dedication.

Residential development shall dedicate land for parks subject to the location and development standards requirement set forth in subsection F.

1. The minimum acreage of land to be dedicated shall be calculated as follows: (2.6 persons per dwelling units) × (total number of dwelling units proposed) × (four acres)/(one thousand persons).

Example: Total dwelling units = 50

$2.6 \times 50 \times 4 / 1000 = 0.52$ acres.

2. The city shall accept a fee-in-lieu of dedication pursuant to subsection E of this section, if property meeting the criteria described in subsection F of this section is not available within the development site.
3. The required acreage shall be dedicated as part of a final plat, through a deed of dedication, or other acceptable document approved in form by the Community Development Director.

D. Reimbursement for additional dedication.

If a larger area for a park or open space is proposed than is required based on the per-unit calculation described in subsection C(3), the applicant may be eligible for a System Development Charge credit for the value of the amount of land that exceeds the required dedication pursuant to OCMC 13.20.040.

E. Fee-in-lieu of Dedication.

The city shall accept a fee-in-lieu as an alternative to dedication where a property meeting the criteria described in subsection F of these provisions is not available within the development site. The calculation of the fee-in-lieu shall meet the following standards:

1. The amount of the fee-in-lieu (in dollars per acre) shall be set by the City Commission resolution based on relevant economic indices and the typical market value of developed property (residential lots) in Oregon City net of related development costs.
2. The fee-in-lieu shall be paid prior to the recording of the plat.
3. The fee-in-lieu is separate from and in addition to any Parks System Development Charges (SDCs) or credits that may be available required pursuant to OCMC 13.20.
4. The fee-in-lieu shall be retained in a dedicated account by the city for the acquisition of land for park, trail and open space acquisition as depicted in the plans and figures listed in (A)(3) within the Park Place Concept Plan area.
5. Once all land depicted in (A)(3) is acquired, no further fee-in-lieu of dedication shall be assessed.

F. Park Location and development standards.

Park, trail and open space proposed for dedication shall be located as shown in the list of adopted plans and figures under A (3) above, as applicable, and meet the following locational and development standards:

1. North Village Community Park (8 acres)
 - a. The total minimum amount of land in acres dedicated for the North Village Regional Park shall be 8 acres.

- b. At least half of the frontage of the North Village Community Park shall abut a publicly dedicated street. If located at an intersection, both street frontages may be combined to meet this standard.
 - c. Minimum size dedication city will accept: three (3) contiguous acres, except that any proportional share calculated pursuant to the formula under section C.3 above that equals less than 3 acres may be satisfied through a fee-in-lieu per section (E).
 - d. Minimum park dimension (width or depth): five hundred feet.
 - e. The park shall be connected to the regional trail system and shall be available for use by the general public.
 - f. A “shadow plat” shall be submitted with an application for a land division if park land dedication is less than the full 8 acres. The “shadow plat” will indicate where the boundaries of the future park land will be located and serve as an indicator for park dedication in future development applications.
 - g. In the North Village of the Park Place area, if a proposed land division does not abut the park or “shadow plat” then the applicant shall pay a fee-in-lieu rather than dedicate land.
 - h. If a proposed land division does abut the park land or the “shadow plat” the applicant shall dedicate the proportionate share of park land.
 - i. Not more than 20 percent of the park may exceed 15 percent slope prior to grading. Zero percent of the park shall include a wetland, stream or other protected resource within the Natural Resource Overlay District, except that up to a half of the required vegetated corridor width adjacent to a protected resource specified in OCMC 17.49.110 – Width of vegetated corridor may be included within the park boundary.
2. South Village Neighborhood Park (4 acres).
- a. The total minimum amount of land in acres dedicated for the South Village Neighborhood Park shall be 4 acres.
 - b. At least half of the frontage of the South Village Community Park shall abut a publicly dedicated street. If located at an intersection, both street frontages may be combined to meet this standard.
 - c. Minimum size dedication city will accept: two (2) contiguous acres, except that any proportional share calculated pursuant to the formula under section C.3 above that equals less than two acres may be satisfied through a fee-in-lieu per section (E).
 - c. Minimum park width (east-west dimension): four hundred feet.
 - d. Minimum park depth (north-south dimension): two hundred feet.
 - e. A minimum of three acres of the park shall have a natural slope no greater than 10% to be developed with active recreation components.
 - f. The park shall be connected to the regional trail system and shall be available for use by the general public.
 - g. A “shadow plat” shall be submitted with an application for a land division if park land dedication is less than the full 4 acres. The “shadow plat” will indicate where the boundaries of the future park land will be located and serve as an indicator for park dedication in future development applications.
 - h. In the South Village of the Park Place area, if a proposed land division does not abut the park or “shadow plat” then the applicant shall pay a fee-in-lieu rather than dedicate land.

- i. If a proposed land division does abut the park land or the “shadow plat” the applicant shall dedicate the proportionate share of park land.
 - j. Not more than ten percent of the park may exceed 15 percent slope. Zero percent of the park shall include a wetland, stream or other protected resource within the Natural Resource Overlay District, except that up to a half of the required vegetated corridor width adjacent to a protected resource specified in OCMC 17.49.110 – Width of vegetated corridor may be included within the park boundary.
- G. Open Space Dedication
 - 1. An application for a subdivision, partition, replat or design review may propose the dedication and protection of open space areas as part of that process. However, this open space shall not be eligible to count toward the parkland dedication requirements of Subsections B, C, D, E, or F.
 - 2. The types of open space that may be provided are:
 - a. Land within the Natural Resources Overlay District (NROD) including natural areas of undisturbed vegetation, steep slopes, stream corridors, wetlands, wildlife habitat areas, and riparian corridors pursuant to OCMC 17.49. Open space located within the Natural Resources Overlay District shall be maintained pursuant to OCMC 17.49.160 – Standards for land divisions.
 - b. Other “greenways” or linear areas linking residential areas with open space areas. These greenways may include the following features:
 - i. Dedicated bicycle paths or footpaths connecting greenways between residences and recreational areas, streets and activity areas.
 - ii. Tree protection tracts created pursuant to OCMC 17.41.
 - iii. Land located underneath powerline easements that is privately owned and maintained but which provides for public access and use.
 - iv. Public off-street pedestrian and bicycle accessway that comply with the standards in OCMC 16.12.032.
- H. Trails Dedication
 - 1. Purpose. The Park Place Concept Plan (PPCP) identifies a substantial, interconnected network of trails corresponding to the open space system, and in some cases parallel to road corridors. Proposed trail locations are consistent with the ’s adopted Trails Master Plan and other local and regional plans, help connect activity centers, and provide alternatives to travel by automobile. The purposes of this section are:
 - a. To achieve an extensive system of off-street and on-street trails and pedestrian/bicycle connections, a key element of the PPCP.
 - b. To provide standards for the applicability, design, location, connectivity, access, maintenance, dedication, enforcement and integration of trails for residential and non-residential development within the PPCP.
 - c. To assure that trail dedication requirements are roughly proportional to the impact of the proposed development on the trail system.
 - d. To promote pedestrian connectivity, enhance recreational opportunities and enhance environmental stewardship within the PPCP.
 - e. To integrate trail planning with other adopted goals, policies and plans, including the Oregon City Parks and Recreation Master Plan (2008), the Oregon City Trails Master Plan (2004), the Oregon City Transportation System Plan (2013), and the OC2040 Comprehensive Plan (2022).

2. Applicability. Unless specified otherwise below, all developments shall reserve or dedicate land for trails within the development pursuant to the standards of this section, provided that the trail reservation or dedication is roughly proportional to the impact of the development on the trail system.

a. The trails dedication requirements apply to the following development applications:

i. New residential land divisions (partitions and subdivisions) within the PPCP.

b. The trails dedication requirements do not apply to the following situations:

i. Development applications within the NC Neighborhood Commercial zone district of the PPCP. In these cases, a fee-in-lieu of dedication may be proposed.

ii. When a fee-in-lieu of trail dedication is permitted pursuant to section (3)(E) .

iii. When the requirements of this section are adjusted pursuant to the criteria for an adjustment for a master plan or planned unit development pursuant to Chapter 17.65 – Master Plans and Planned Unit Development.

iv. If a variance to these requirements is granted pursuant to the standards in OCMC 17.60 – Variances.

3. Trail Dedication Standards

a. Location

Location of trails within the PPCP shall follow the adopted 2004 trails master plan for L7-Livesay Creek Trail, L5-Park Place Creek Loop, and L2-Holcomb Ridge Trail.

The specific locations of trails may change and is subject to on-site verification and design at the time of development.

b. Length.

The amount of land to be dedicated for trails shall be based on the city's level of service standard in the adopted 2024 Parks Master Plan and is estimated at 0.35 miles per 1,000 residents. This equates to 1.8 feet of linear trail per resident.

c. Trail standards:

The slope of the trail over the "from-to" points as determined in the adopted 2004 Oregon City Trails Master Plan for trails L7, L5, and L2 determines if a trail is soft surface or hard surface. If the rise from end to end is over 3%, as defined by the Americans with Disabilities Act, a trail may be a soft surface trail. If the rise from end to end is under 3%, as defined by the Americans with Disabilities Act, a trail shall be a hard surface trail

d. Width.

The minimum width for a soft surface trail shall be five feet. Surface materials shall be 1/4 minus gravel or bark dust.

The minimum width for a hard surface trail shall be ten feet. Surface materials shall be asphalt or concrete.

e. Fee in Lieu of Dedication

If the above standards cannot be met a fee-in-lieu is acceptable. The fee-in-lieu (in dollars per acre) shall be set by City Commission resolution based on relevant economic indices and the typical market value of developed property (residential lots) in Oregon City net of related development costs.

f. System Development Charge Credits.

Trail dedication may be eligible for SDC credits if more than the proportionate share is dedicated and built pursuant to OCMC 13.20.040. Fee-in-lieu may also be eligible for SDC credits pursuant to OCMC 13.20.040.

g. Shadow plat.

Trail dedication shall be accompanied by a “shadow plat” or connectivity map to indicate how the trail would connect to off-site trails, trailheads and activity areas shown on the 2004 Oregon City Trails Master Plan when the extent of the trail is outside the development boundary.

h. Connectivity and Accessibility.

Trails shall be publicly accessible to all residents, including those with disabilities, and adhere to ADA (Americans with Disabilities Act) guidelines where applicable. Easements for public access shall be required.

i. Maintenance Responsibilities. The applicant shall propose the entity responsible for the ownership and maintenance of dedicated trails (e.g., homeowners association, city or other entity) and outline maintenance standards in the land use application.

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16.12.026 Same—Alleys.

Alleys with public access easements on private property shall be provided in the ~~Park Place and~~ South End concept plan areas for the following districts R-5, R-3.5, R-2, MUC-1, MUC-2 and NC zones unless other permanent provisions for private access to off-street parking and loading facilities are approved by the decision maker.

Alley access may be required by the City Engineer in order to restrict access onto a collector or arterial road pursuant to OCMC 16.12.022 and 16.12.035.

All alleys intended to provide access for emergency vehicles shall be a minimum width of twenty feet. The corners of alley intersections shall have a radius of not less than ten feet and shall conform to standards approved by the city engineer. Access easements and maintenance agreements shall be recorded on affected properties.

Explanation:

Previously, this section included the following additional language (in italics). This has been removed.

Pursuant to OCMC 16.12.013, an applicant may request modification of the alley requirement in one or more of the following situations:

- 1. New residential development located wholly or partially within the Natural Resources Overlay District (NROD) regulated by OCMC 17.49 where the requested modification will minimize disturbance to sensitive natural resources protected by the NROD.*
- 2. New residential development wholly or partially within the Geologic Hazards Overlay District regulated by OCMC 17.44 where the requested modification will minimize disturbance to steeply sloped or unstable sites within the Geologic Hazards Overlay District.*
- 3. New residential development within the Park Place Concept Plan perimeter transition area required per OCMC 17.08.055(C) and OCMC 17.10.080(C) and the requested modification is necessary to allow the perimeter transition.*
- 4. Where the alley requirement would preclude a block layout with two tiers of lots with consistent lot depths per OCMC 16.12.030.*

Based on the following analysis and direction, staff has decided to remove the alley requirement in 16.12 and 17.21 and only retain the prohibition on front loaded garages when a lot fronts a collector street or is across the street from a public park.

After analysis of slope information with assistance from GIS staff, the main reason for this change is that even the flattest portions of the developable areas of the PPCP are surrounded by steeper slopes or NROD and will still require significantly more cut-and-fill to achieve grades to construct alleys, adding to engineering and housing costs.

Also, commissioners pointed out that the use of alleys does not guarantee a walkable, vibrant pedestrian-friendly streetscape.

Access control and driveway restrictions requiring alleys would still be regulated abutting collector or higher classification roads, per OCMC 16.12.

The simplest approach is to remove the alley requirement except for situations where lots abut collector or higher classification roads. This will maintain safety of driving conditions and bikes and pedestrians on these roads with fewer curb cuts and exiting vehicles.

Through a Type II process, an applicant may request modification of this public improvement standard as part of a land division or other land use application.

PPCP Key Element:

8. Protected sensitive areas, including drainages and steep slopes.

New Zoning Code Definitions

Note: This list includes new definitions to implement the Park Place Concept Plan and other definitions for words added to the code over time that are not currently defined. Final definitions will require renumbering to fit the new definitions into the Oregon City Municipal Code in alphabetical order.

Architecturally significant façade

“Architecturally significant façade” means the exterior wall(s) or elevation(s) of a structure that contains the greatest number and most detailed elements of architectural design, detail, materials or craftsmanship compared to the other walls or elevations of the structure as viewed from a public area, street or vantage point. The architecturally significant façade of a building is the most familiar and recognizable part of the building, and includes windows, materials, entryways, sheltering elements and other features of interest that are not found on or found to a lesser extent on the other exterior walls or elevations of the structure.

Awning

“Awning” means a roof-like structure of fabric, metal or other materials stretched or connected over a rigid frame projecting from the elevation of a building designed to provide continuous overhead weather protection.

Canopy

“Canopy” means a roof-like covering over a door or an opening of a structure intended and used for the purpose of sheltering persons or inanimate objects from the rays of the sun and from rain and weather. Entrance canopies shall be attached to the building and may be supported from the ground up or cantilevered out from the wall of a building using structural support integral to the building.

Cupola

“Cupola” means a relatively small, most often dome-like, tall structure on top of a building. Often used to provide a lookout or to admit light and air, it usually crowns a larger roof or dome.

Deck

“Deck” means an uncovered platform with a main walking surface that is directly accessible from and adjacent to or attached to a principal building. Residential decks may be located at different levels or stories on the front, rear or side of a dwelling and may have setbacks that are different from setbacks for enclosed living areas per OCMC 17.54.030.(C). Decks may or may not have railings or guards depending on building code or other requirements. See also “Porch”.

Dedication

“Dedication” means the intentional appropriation or conveyance by an owner or developer of private land for public use, and the acceptance of land for such use by the City over the public function for which it will be used. Dedications for roads, parks, utilities, or other public uses often are made conditions for approval of a development by the City.

Distribution

“Distribution” means a use where goods are received and/or stored for delivery to the ultimate customer at remote locations.

Commented [PW1]: Per OCMC 17.54.030 - Setback exceptions.(C) C.; Uncovered decks or porches with a height of less than thirty inches from grade are exempt from setback standards.

Eco-roof.

"Eco-roof" or "green roof" means a lightweight vegetated roof system consisting of waterproofing material, a growing medium, and specially selected plants. An eco-roof or green roof is one of various stormwater low impact development techniques intended to reduce runoff, improve water and air quality, provide wildlife habitat, and save energy. See also Low Impact Development. Eco-roofs may also be used on constrained urban sites in lieu of traditional landscaping.

Gazebo

"Gazebo" means a type of open sided accessory structure consisting of pillars or posts supporting an enclosed roof system, which offers full protection from the elements. The sides are fully open to allow airflow.

Green roof.

See "Eco-roof" as defined in OCMC 17.04.345.

Kennel

~~"Kennel" means the owner or keeper of four or more dogs which have permanent canine teeth shall be considered as the owner or keeper of a kennel.~~

Commented [PW2]: Definition remains in Chapter 6.04.

Living Area

"Living area" means the enclosed portion of a house that is not a covered patio, porch, carport or garage. For the purposes of determining the projection of an attached garage in relation to the living area, the living area may be on any floor of the residence.

Massing, architectural

"Massing" or "architectural massing" means the perceived three-dimensional form of a building as influenced by size, scale, and shape, not just its outline from a single perspective. Massing influences the sense of space which the building encloses and helps to define both the interior space and the exterior shape of the building. The creation of massing, and changes to it, may be additive (accumulating or repeating masses) or subtractive (creating spaces or voids in a mass by removing parts of it). Massing can also be significantly altered by the materials used for the building's exterior, as transparent, reflective, or layered materials are perceived differently. See also "primary massing" and "secondary massing".

Massing, primary

"Primary massing" means the principal or dominant architectural massing of a structure due its greater size, scale or shape. See "massing, architectural".

Secondary massing

"Secondary massing" means the less dominant massing of a structure due its lesser size, scale or shape when compared to the primary massing. See "massing, architectural".

Pergola

"Pergola" means a type of open sided accessory structure consisting of pillars or posts supporting a partially open roof system. A pergola may be attached to a primary structure or detached.

Plaza

“Plaza” means an area generally open to the public on a controlled basis and used for passive recreational activities, events and relaxation. Plazas are paved areas typically provided with amenities, such as seating, drinking and ornamental fountains, art, trees, and landscaping, for use by pedestrians. A plaza area is wholly or partly enclosed by a building or buildings and has openings to the sky.

Porch

“Porch” means a fully roofed but unenclosed structure projecting from and attached to the main wall of a principal building that may or may not use columns or other ground supports for structural purposes. A porch has a walking surface that is directly accessible from and adjacent to or attached to a principal building. Residential porches are typically located on the front and / or rear of a dwelling and may have setbacks that are different from setbacks for enclosed living areas. Porches may or may not have railings or guards depending on building code or other requirements. See also “Deck”.

Portico

“Portico” means a covered porch or roofed structure leading to the entrance of a building, or extended with a roof structure over a walkway, supported by columns or enclosed by walls.

Primary entrance

“Primary entrance” means the principal pedestrian entry to a structure closest to the public street and the one which is dominant on the building façade due to its size, architectural detail and design.

Roof

“Roof” means a permanently attached structural covering over any portion of a building or structure including horizontal projections beyond the walls or supports of the building or structure, but excluding roof structures, decorative and functional elements specifically exempted from the building height measurement under definition 17.04.550 “Height of Building”.

Roof, flat

“Flat roof” means a roof which is not pitched and the surface of which is parallel to the ground.

Roof, gable

“Gable roof” or “gabled roof” means a roof which slopes from both sides of a ridge.

Roof, gambrel

“Gambrel roof” means a usually symmetrical gable roof with two slopes on each side.

Roof, hipped

“Hipped roof” means a roof with slopes on all four sides, continuous from peak to eaves.

Roof, mansard

“Mansard roof” means a steep, dual-pitched hipped roof allowing a tall attic space; frequently used to add an upper story.

Roof, pitch

“Roof pitch” means the steepness of a roof expressed as a ratio of inch(es) rise per horizontal foot (or their metric equivalent), or as the angle in degrees its surface deviates from the horizontal. A flat roof has a pitch of zero in either instance; all other roofs are pitched.

Roof, primary

“primary roof” means the portion of a building’s roof structure that contributes most to the mass of a building due to its predominance in height, width, length, bulk, or volume of area covered.

Roof, secondary

“Secondary roof” means a roof that is subordinate to the primary roof of a structure due to its lesser contribution to the mass of a building. See “Primary roof”.

Roof, shed

“Shed roof” means a roof having a single sloping plane and no hips, ridges or valleys.

Special Event Permit

“Special event permit” means a permit issued by the Public Works Department or by the Parks and Recreation Department for events that are proposed on public property, or which have the potential to impact public property and rights-of-way.

Warehouse

“Warehouse” means a facility or facilities characterized by extensive warehousing, frequent heavy trucking activity, open storage of material, or nuisances such as dust, noise, and odors, but not involved in manufacturing or production.

Wholesale, wholesaler

“Wholesale” or “Wholesaler” means the selling and/or distributing of merchandise to retailers; to industrial, commercial, institutional, or professional business users, or to other wholesalers; acting as agents or brokers and buying merchandise for, or selling merchandise to, such individuals or companies, other than a consumer. This means an entity that buys and sells at wholesale.

Title 17 - ZONING
Chapter 17.08 LOW DENSITY RESIDENTIAL DISTRICTS

Chapter 17.08 LOW DENSITY RESIDENTIAL DISTRICTS³

17.08.010 Designated.

The R-10, R-8 and R-6 residential districts are designed for low density residential development.

~~(Ord. No. 18-1009, § 1(Exh. A), 7-3-2019)~~

17.08.020 Permitted uses.

Permitted uses in the R-10, R-8 and R-6 districts are:

- A. Single-family detached residential units;
- B. Accessory uses, buildings and dwellings;
- C. Duplexes;
- D. Triplexes;
- E. Quadplexes;
- F. Townhouses;
- G. Cottage clusters;
- H. Residential homes;
- I. Parks, playgrounds, playfields and community or neighborhood centers;
- J. Home occupations;
- K. Family day care providers;
- L. Farms, commercial or truck gardening and horticultural nurseries on a lot not less than twenty thousand square feet in area (retail sales of materials grown on-site is permitted);
- M. Temporary real estate offices in model homes located on and limited to sales of real estate on a single piece of platted property upon which new residential buildings are being constructed;
- N. Transportation facilities.

~~(Ord. No. 18-1009, § 1(Exh. A), 7-3-2019; Ord. No. 22-1001, 1(Exh. A), 6-1-2022)~~

³Editor's note(s) — Ord. No. 18-1009, § 1(Exh. A), adopted July 3, 2019, amended Chapter 17.08 in its entirety to read as herein set out. Former Chapter 17.08, §§ 17.08.010 — 17.08.040, pertained to the R-10 single family dwelling district, and derived from Ord. No. 08-1014, adopted July 1, 2009 and Ord. No. 13-1003, adopted July 17, 2013.

17.08.025 Conditional uses.

The following uses are permitted in the R-10, R-8 and R-6 districts when authorized by and in accordance with the standards contained in OCMC 17.56:

- A. Golf courses, except miniature golf courses, driving ranges or similar commercial enterprises;
- B. Bed and breakfast inns/boarding houses;
- C. Cemeteries, crematories, mausoleums and columbariums;
- D. Child care centers and nursery schools;
- E. Emergency service facilities (police and fire), excluding correctional facilities;
- F. Residential care facilities;
- G. Private and/or public educational or training facilities;
- H. Public utilities, including sub-stations (such as buildings, plants and other structures);
- I. Religious institutions;
- J. Assisted living facilities; nursing homes and group homes for over fifteen patients.

~~(Ord. No. 18-1009, § 1(Exh. A), 7-3-2019)~~

17.08.030 Reserved.

Editor's note(s)—Ord. No. 22-1001, § 1(Exh. A), adopted June 1, 2022, repealed § 17.08.030, which pertained to master plans and derived from Ord. No. 18-1009, adopted July 3, 2019.

17.08.035 Prohibited uses.

Prohibited uses in the R-10, R-8 and R-6 districts are:

- A. Any use not expressly listed in OCMC 17.08.020, 17.08.025 or 17.08.030;
- B. Marijuana businesses.

~~(Ord. No. 18-1009, § 1(Exh. A), 7-3-2019)~~

17.08.040 Dimensional standards.

Dimensional standards in the R-10, R-8 and R-6 districts are as follows:

Table 17.08.040

Standard	R-10	R-8	R-6
Minimum lot size ¹			
Single-family detached, duplex and triplex	10,000 square feet	8,000 square feet	6,000 square feet

Quadplex and cottage cluster	10,000 square feet	8,000 square feet	7,000 square feet
Townhouse	1,500 square feet	1,500 square feet	1,500 square feet
<u>Maximum height: All</u>			
<u>Maximum height: All dwelling units, except;</u>	35 feet	35 feet	35 feet
<u>—Except cottage cluster unit</u>	25 feet	25 feet	25 feet
Maximum building lot coverage	40%,	40%,	40%,
<u>All dwelling units, except;</u>	<u>40%</u>	<u>40%</u>	<u>40%</u>
<u>— With ADU</u>	except 45%	except 45%	except 45%
<u>— Cottage cluster</u>	None	None	None
<u>Minimum lot width</u>			
<u>Minimum lot width: All dwelling units, except;</u>	65 feet	60 feet	50 feet
<u>—Except townhouse</u> <u>Townhouse</u>	20 feet	20 feet	20 feet
<u>Minimum lot depth</u>			
<u>Minimum lot depth: All dwelling units, except;</u>	80 feet	75 feet	70 feet
<u>—Except townhouse</u> <u>Townhouse</u>	75 feet	75 feet	70 feet
<u>Minimum front yard setback</u>			
<u>Minimum front yard setback: All dwelling units, except;</u>	20 feet, except 15 feet — Porch	15 feet, except 10 feet — Porch	10 feet, except 5 feet — Porch
<u>—Except cottage</u> <u>Cottage cluster</u>	10 feet	10 feet	10 feet
<u>Porch</u>	<u>15 feet</u>	<u>15 feet</u>	<u>15 feet</u>
<u>Minimum interior side yard setback</u>			

Minimum interior side yard setback: All dwelling units, except;	8 feet	7 feet	5 feet
—Except townhouse <u>Townhouse</u>	0 feet (attached)/8 feet (side)	0 feet (attached)/7 feet (side)	0 feet (attached)/5 feet (side)
<u>Minimum corner side yard setback</u>			
Minimum corner side yard setback All dwelling units, except;	10 feet	10 feet	10 feet
<u>Minimum rear yard setback</u>			
Minimum rear yard setback All dwelling units, except;	20 feet, except 20 feet 15 feet — Porch 10 feet — ADU, cottage cluster	20 feet, except 20 feet 15 feet — Porch 10 feet — ADU, cottage cluster	20 feet, except 20 feet 15 feet — Porch 10 feet — ADU, cottage cluster
<u>Porch</u>	<u>15 feet</u>	<u>15 feet</u>	<u>15 feet</u>
<u>ADU</u>	<u>10 feet</u>	<u>10 feet</u>	<u>10 feet</u>
<u>Cottage cluster</u>	<u>10 feet</u>	<u>10 feet</u>	<u>10 feet</u>
<u>Garage setbacks</u>			
Garage setback All dwelling units, except;	20 feet from ROW, except 5 feet Alley	20 feet from ROW, except 5 feet Alley	20 feet from ROW, except 5 feet Alley
<u>From alley</u>	<u>5 feet</u>	<u>5 feet</u>	<u>5 feet</u>
<u>Minimum separation between existing city dwelling unit abutting the Park Place Concept Plan boundary and new dwelling unit</u>	<u>40 feet</u>	<u>40 feet</u>	<u>40 feet</u>

Notes:

1. For land divisions, lot sizes may be reduced pursuant to OCMC 16.08.065.
2. Accessory structures may have reduced setbacks pursuant to OCMC 17.54.010.B.
3. Public utility easements may supersede the minimum setback.

~~(Ord. No. 18-1009, § 1(Exh. A), 7-3-2019; Ord. No. 21-1007, § 1(Exh. A), 4-21-2021; Ord. No. 22-1001, 1(Exh. A), 6-1-2022)~~

Explanation:

The proposed addition to Table 17.08.040 includes the new setback requirement between existing dwelling units outside of the Park Place Concept Plan boundary and new dwelling units within the plan area. The intent of this revision is for additional clarity by including the setback that is discussed under the section 17.10.080.C.(3) to the table in addition to the written text.

Also, the table is slightly modified to show the required rear yard setbacks more clearly for porches, ADUs and cottage clusters, though no changes are proposed to these setbacks.

On 7.8.2024 the Planning Commission suggested further edits to the table for ease of readability for rear yard setbacks for porch, ADU and cottage clusters which are included in this version.

The word "city" was added to the table for the minimum separation between units that to clarify that the transition zone requirements are applicable only to where new development abuts existing zoned residential areas within Oregon City limits and not to areas with county zoning that are outside the city. In other words, the intent of the transition area was not to try to match existing County zoning, just City zoning.

PPCP Key Element:

10. The use of green edges to define neighborhoods and buffer developments.

17.08.045 Exceptions to setbacks.

- A. Projections from Buildings. Ordinary building projections such as cornices, eaves, overhangs, canopies, sunshades, gutters, chimneys, flues, sills or similar architectural features may project into the required yards up to twenty-four inches.
- B. Through Lot Setbacks. Through lots having a frontage on two streets shall provide the required front yard setback on each street. The required rear yard setback is not necessary.

~~(Ord. No. 18-1009, § 1(Exh. A), 7-3-2019)~~

Explanation:

The word "setback" is added for greater clarity. Per definition 17.04.1110 - Setback. "Setback" means the minimum distance by which the footprint of all buildings or structures shall be separated from a lot line.

PPCP Key Element:

N/A. This revision is added for greater clarity to the existing code section only.

17.08.050 Density standards.

- A. Density standards in the R-10, R-8 and R-6 districts are as follows:

Table 17.08.050

Standard	R-10	R-8	R-6
Minimum net density: All	3.5 du/acre	4.4 du/acre	5.8 du/acre
<u>—</u> Except cottage clusters	4 du/acre	4.4 du/acre	5.8 du/acre
Maximum net density: All	4.4 du/acre	5.4 du/acre	7.3 du/acre
<u>—</u> Except townhouses	17.4 du/acre	21.6 du/acre	25 du/acre

B. Exceptions.

1. Any dwelling units created as accessory dwelling units do not count towards the minimum or maximum density limits in Table 17.08.050.
2. Duplexes, triplexes and quadplexes shall count as a single dwelling unit for the purposes of calculating maximum net density. Total dwelling units within a development may count for the purposes of calculating minimum net density.
3. Cottage clusters are exempt from maximum net density standards.

~~(Ord. No. 18-1009, § 1(Exh. A), 7-3-2019; Ord. No. 22-1001, 1(Exh. A), 6-1-2022)~~

17.08.055 Additional standards for the Park Place Concept Plan Area.

A. Applicability. This section applies to all development in the Low Density Residential District within the Park Place Concept Plan Area.

B. Relationship of Standards. These standards apply in addition to and supersede the standards of the R-10 zone within the Park Place Concept Plan Area. In the event of a conflict, the standards of this section control.

C. Perimeter Transition. Along the boundary of the Park Place Concept Plan area where new development is proposed abutting an existing residential development within the city, the following additional standards shall apply to create a perimeter transition:

1. Where any portion of a lot abuts existing residential development within the city outside of the concept plan area boundary, uses shall be limited to residential uses and roads, parks, trails, and open space.
2. Where any portion of a lot abuts existing residential development within the city outside of the concept plan area boundary, the minimum lot size, width, and depth shall meet the minimum dimensions of the abutting city residential zone district. For example, a lot inside the Park Place Concept Plan Area which abuts a city lot outside of the concept plan area that is zoned R-6 shall meet the minimum dimensions of the R-6 zone even when the lot inside the Concept Plan Area has a different zoning designation.

~~3. Except for townhouse lots, an applicant may request up to a 20% reduction to the minimum lot sizes otherwise required to meet the minimum dimensions of the abutting city residential zoning district through a minor variance process per OCMC 17.60.020(D) and (E), or through a Master Plan adjustment per OCMC 17.65.070.~~

Commented [PW1]: CC directed to remove.

Explanation:

City Commission directed to remove the allowance for a 20% lot size reduction for lots in the PPCP transition areas for the low and medium density residential zones.

Previously this section had the following sentence: “the minimum lot sizes specified herein shall not be eligible for variance or adjustment”.

The Planning Commission supported allowing up to a twenty percent reduction in the minimum lot size specified within the transition area through a Type II minor variance process or through a Type III master plan adjustment, if applicable.

The additional language “within the city” was added to clarify that the transition zone requirements are applicable only to where new development abuts existing zoned residential areas within Oregon City limits and not to areas with county zoning that are outside the city. In other words, the intent of the transition area was not to try to match existing County zoning, just City zoning.

PPCP Key Elements:

5. A mix of housing types and ranges of affordability.

10. The use of green edges to define neighborhoods and buffer developments.

4. Where any portion of a proposed lot abuts existing city residential development outside of the concept plan area boundary, all primary structures shall be set back a minimum of forty feet from existing dwelling units outside the plan boundary.
5. Within the forty-foot setback required in (4) above, a combination of landscaping and screening shall be provided to buffer the perimeter. The landscaping shall meet any combination of the following standards:
 - a. Plant a minimum twelve inches total diameter of trees spaced an average of one tree for every thirty linear feet. Planted trees shall be a minimum caliper size of two inches at the time of planting and may be tree species chosen from the City’s adopted street tree list or as recommended by a certified arborist or landscape architect. The trees may be planted on residential lots or in an abutting tract.
 - b. Preserve existing trees that have a minimum diameter of six inches DBH to achieve a minimum of twelve inches total diameter of preserved trees spaced a minimum of fifteen feet apart. Trees selected for preservation shall not be dead, diseased, dying or hazardous and shall not be invasive species. The preserved trees may be located on residential lots or in an abutting tract created for tree preservation consistent with OCMC 17.41.050.B;
 - c. Preserve existing native vegetation and trees within or adjacent to the Natural Resources Overlay District in compliance with OCMC 17.49 to achieve a minimum of twelve inches total diameter of native trees spaced an average of one tree for every thirty linear feet. Native trees selected for preservation may be smaller than 6 inches diameter at breast height but not smaller than one inch caliper as measured six inches above the root crown. Native trees may be located on residential lots or in an abutting tract created for tree and habitat preservation consistent with OCMC 17.49.
6. An alternative perimeter transition may be proposed as part of a master plan per OCMC 17.65, provided it is consistent with the goals of the adopted Park Place Concept Plan.

Explanation:

The additional standards for the Park Place Concept Plan area within the R-10 district are intended to create a transition between older residential development and newer, more intense residential development within the concept plan area. The “Northern Perimeter” of the concept plan boundary abuts several older low-density subdivisions, including Trailview (zoned R-10), Wasco Acres (zoned R-6), and Tracey Heights (zoned R-6).

Larger setbacks, lot sizes and screening is desired in this transition area between newer development within the concept plan area and existing lower density development outside.

Screening within the forty-foot setback area may be accomplished through the preservation of existing trees, planting of native vegetation abutting the NROD area, or a combination of landscaping plantings and fencing.

Larger subdivisions may opt to place the landscaping buffer in a separate open space tract to be maintained by an HOA, whereas smaller land divisions may choose a different approach.

Item 3 above was added to reflect the Planning Commission’s support for allowing up to a twenty percent reduction in the minimum lot size specified within the transition area through a Type II minor variance process or through a Type III master plan adjustment, if applicable.

PPCP Key Elements:

5. A mix of housing types and ranges of affordability.

10. The use of green edges to define neighborhoods and buffer developments.

Title 17 - ZONING
Chapter 17.10 MEDIUM DENSITY RESIDENTIAL DISTRICTS

Chapter 17.10 MEDIUM DENSITY RESIDENTIAL DISTRICTS

17.10.010 Designated.

The R-5 and R-3.5 residential districts are designed for medium density residential development.

~~(Ord. No. 18-1009, § 1(Exh. A), 7-3-2019)~~

17.10.020 Permitted uses.

Permitted uses in the R-5 and R-3.5 districts are:

- A. Single-family detached residential units;
- B. Accessory uses, buildings and dwellings;
- C. Duplexes;
- D. Triplexes;
- E. Quadplexes;
- F. Townhouses;
- G. Cottage clusters;
- H. Manufactured home parks or subdivisions in the R-3.5 district only;
- I. Residential homes;
- J. Parks, playgrounds, playfields and community or neighborhood centers;
- K. Home occupations;
- L. Family day care providers;
- M. Farms, commercial or truck gardening and horticultural nurseries on a lot not less than twenty thousand square feet in area (retail sales of materials grown on-site is permitted);
- N. Temporary real estate offices in model homes located on and limited to sales of real estate on a single piece of platted property upon which new residential buildings are being constructed;
- O. Transportation facilities.

17.10.025 Conditional uses.

The following uses are permitted in the R-5 and R-3.5 districts when authorized by and in accordance with the standards contained in OCMC 17.56:

- A. Golf courses, except miniature golf courses, driving ranges or similar commercial enterprises;
- B. Bed and breakfast inns/boarding houses;
- C. Cemeteries, crematories, mausoleums and columbariums;
- D. Child care centers and nursery schools;

- E. Emergency service facilities (police and fire), excluding correctional facilities;
- F. Residential care facilities;
- G. Private and/or public educational or training facilities;
- H. Public utilities, including sub-stations (such as buildings, plants and other structures);
- I. Religious institutions;
- J. Assisted living facilities; nursing homes and group homes for over fifteen patients;
- K. Live/work dwellings.

17.10.030 Master plans.

The following use is permitted in the R-3.5 district when authorized by and in accordance with the standards contained in OCMC 17.65.

- A. Multi-family residential.

~~(Ord. No. 18-1009, § 1(Exh. A), 7-3-2019)~~

17.10.035 Prohibited uses.

Prohibited uses in the R-5 and R-3.5 districts are:

- A. Any use not expressly listed in OCMC 17.10.020, 17.10.025 or 17.10.030.
- B. Marijuana businesses.

17.10.040 Dimensional standards.

Dimensional standards in the R-5 and R-3.5 districts are as follows:

Table 17.10.040

Standard	R-5	R-3.5
Minimum lot size ¹		
Single-family detached and duplex	5,000 square feet	3,500 square feet
Triplex	5,000 square feet	5,000 square feet
Quadplex and cottage cluster	7,000 square feet	7,000 square feet
Townhouse	1,500 square feet	1,500 square feet
<u>Maximum height</u>		
Maximum height: All <u>dwelling units, except:</u>	35 feet	35 feet
Except cottage cluster unit	25 feet	25 feet
Maximum building lot coverage		
Single-family detached and duplex	50%	55%
With ADU	60%	65%

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Triplex, quadplex and townhouse	70%	80%
Cottage cluster	None	None
Minimum lot width		
All dwelling units , except;	35 feet, except	25 feet, except
Townhouse	20 feet	20 feet
Minimum lot depth	70 feet	70 feet
<u>Minimum front yard setback</u>		
Minimum front yard setback All dwelling units, except;	10 feet, except	5 feet, except
<u>Porch</u>	5 feet — Porch	0 feet — Porch
<u>Minimum interior side yard setback</u>		
Minimum interior side yard setback-All dwelling units, except;	5 feet, except	5 feet, except
All, except Townhouse	0 feet (attached)/5 feet (side)	0 feet (attached)/5 feet (side)
Townhouse		
Minimum corner side yard setback	7 feet	7 feet
<u>Minimum rear yard setback</u>		
Minimum rear yard setback All dwelling units, except;	20 feet, except	20 feet, except
<u>Porch</u>	15 feet — Porch	15 feet — Porch
<u>ADU</u>	<u>10 feet</u>	<u>5 feet</u>
<u>Cottage cluster</u>	10 feet — ADU, cottage cluster	10 feet — Cottage cluster 5 feet — ADU
<u>Garage setbacks</u>		
Garage setbacks-All dwelling units, except;	20 feet from ROW, except	20 feet from ROW, except
<u>From alley</u>	5 feet from alley	5 feet from alley
<u>Minimum separation between existing city dwelling unit abutting the Park Place Concept Plan boundary and new dwelling unit</u>	<u>40 feet</u>	<u>40 feet</u>

Notes:

1. For land divisions, lot sizes may be reduced pursuant to OCMC 16.08.065.

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2. Accessory structures may have reduced setbacks pursuant to OCMC 17.54.010.B.

3. Public utility easements may supersede the minimum setback.

Explanation:

The proposed addition to Table 17.10.040 includes the new setback requirement between existing dwelling units outside of the Park Place Concept Plan boundary and new dwelling units within the plan area. The intent of this revision is for additional clarity by including the setback that is discussed under the section 17.10.080.C.(3) to the table in addition to the written text.

On 7.8.2024 the Planning Commission suggested further edits to the table for ease of readability for rear yard setbacks for porch, ADU and cottage clusters which are included in this version.

PPCP Key Concept:

10. The use of green edges to define neighborhoods and buffer developments.

17.10.045 Exceptions to setbacks.

- A. Projections from buildings. Ordinary building projections such as cornices, eaves, overhangs, canopies, sunshades, gutters, chimneys, flues, sills or similar architectural features may project into the required yards up to twenty-four inches.
- B. Through lot setbacks. Through lots having a frontage on two streets shall provide the required front yard setback on each street. The required rear yard setback is not necessary.

Explanation:

The word "setback" is added for greater clarity. Per definition 17.04.1110 - Setback. "Setback" means the minimum distance by which the footprint of all buildings or structures shall be separated from a lot line.

PPCP Key Element:

N/A. This revision is added for greater clarity to the existing code section only.

17.10.050 Density standards.

- A. Density standards in the R-5 and R-3.5 districts are as follows:

Table 17.10.050

Standard	R-5	R-3.5
<u>Minimum net density</u>		
Minimum net density • All, except	7.0 du/acre	10 du/acre
• Multi-family		<u>17.4 du/ac</u>
Maximum net density		
• All, except	8.7 du/acre	12.4 du/acre
• Townhouse	25 du/acre	25 du/acre
• Multi-family		<u>21.8 du/acre</u>

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Affordable Housing Bonus26.2 du/acre**Explanation:**

Table 17.10.050 would be amended to apply minimum and maximum density for multifamily development when proposed within the R-3.5 zone district. These are the same densities specified for multi-family development in the R-2 zone district. Multi-family residential is allowed through a Master Plan Review under subsection 17.10.030 above. 21.8 du/acre is a typical density for multi-family development.

An affordable housing bonus is offered within the R-3.5 zone district, similar to the high-density residential district elsewhere in the city.

PPCP Key Element Implemented:

5. A mix of housing types and ranges of affordability.

B. Exceptions.

1. Any dwelling units created as accessory dwelling units do not count towards the minimum or maximum density limits in Table 17.10.050.
2. Duplexes triplexes and quadplexes shall count as a single dwelling unit for the purposes of calculating maximum net density. Total dwelling units within a development may count for the purposes of calculating minimum net density, and also for the purposes of calculating minimum housing diversity.
3. Cottage clusters are exempt from maximum net density standards.
4. Multi-family residential development shall comply with the applicable Site Plan and Design Review standards in OCMC 17.62.
5. Affordable housing density bonus. Multi-family residential projects in the R-3.5 zone with five or more units on a single lot are eligible for a density bonus in exchange for developing affordable housing. A bonus of one additional dwelling unit per affordable unit included in the project, up to a maximum twenty percent increase from maximum net density up to 26.2 du/acre, is allowed. Projects containing exclusively affordable units may develop to the maximum twenty percent increase or 26.2 du/acre. Affordable units shall be affordable to households earning equal to or less than eighty percent of the area median income as defined by the U.S. Department of Housing and Urban Development, adjusted for household size, and guaranteed affordable for a minimum term of 30 years through restrictive covenant or other similar guarantee approved by the community development director.

Commented [PW1]: Carrie clarified to CC regarding how it would be administered and no changes proposed.

Explanation:

(4) above cross references the Site Plan and Design Review chapter 17.62. Multi-family development, which is five units or more on a single parcel, must comply with the applicable standards of this chapter, which includes 17.62.050 – General Standards, 17.62.055 building standards and 17.62.057 – open space requirements for multi-family development, through a Type II process.

(5) allows for density bonus for qualifying affordable projects. As specified, the determination of “area median income” would be made at the time of development review.

PPCP Key Element:

5. A mix of housing types and ranges of affordability.

17.10.060 Conversion of existing duplexes.

Any conversion of an existing duplex unit into two single-family attached dwellings shall be reviewed for compliance with the land division requirements in Title 16 and the underlying zone district.

17.10.070 Additional standards for Thimble Creek Concept Plan Area.

- A. Applicability. This section applies to all development in the R-5 district within the Thimble Creek Concept Plan Area.
- B. Relationship of Standards. These standards apply in addition to and supersede the standards of the R-5 zone within the Thimble Creek Concept Plan Area. In the event of a conflict, the standards of this section control.
- C. Southern Perimeter Transition. Along the southern boundary of the Thimble Creek Concept Plan area between Beavercreek Road and the eastern-most point of Tax Lot 00316, located on Clackamas County Map #32E15A, additional standards apply to create a perimeter transition.
 - 1. Where any portion of a lot is within twenty feet of the southern boundary, uses shall be limited to residential uses and roads, parks, trails, and open space.
 - 2. Where any portion of a lot is within twenty feet of the southern boundary, the minimum lot size for residential uses shall be six thousand square feet for single-family detached dwellings, duplexes and triplexes. Minimum lot size shall be one thousand five hundred square feet for townhouses. Minimum lot size shall be seven thousand square feet for quadplexes and cottage clusters.
 - 3. Where any portion of a lot is within twenty feet of the southern boundary, all primary structures shall be set back a minimum of forty feet from the southern boundary.
 - 4. Within the forty-foot wide setback from the southern boundary, a combination of landscaping and screening shall be provided to buffer the perimeter. The landscaping and screening shall meet one of the two standards:
 - a. Utilize existing vegetation in compliance with OCMC 17.41, resulting in preservation of a minimum of twelve inches total DBH per lot with trees spaced an average of one tree for every thirty linear feet along the southern property line. These trees may be located on the residential lots or an abutting tract created for tree preservation consistent with OCMC 17.41.050.B or other similar landscaping or open space purpose.

- b. Provide a combination of new landscaping and screening to include:
 - i. A minimum of twelve inches of total DBH, or a minimum of an average of one tree with minimum caliper of two inches DBH for every thirty linear feet along the southern property line, whichever is greater; and
 - ii. A minimum six-foot tall, decorative, sight-obscuring fence or wall running parallel to the southern boundary. The fence or wall shall be constructed of wood, stone, rock, or brick. Other durable materials may be substituted with the community development director's approval. Chain-link fencing with slats shall not be allowed to satisfy this standard.
- 5. An alternative southern perimeter transition may be proposed as part of a master plan per OCMC 17.65, provided it is consistent with the goals of the adopted Thimble Creek Concept Plan.

17.10.080 Additional standards for the Park Place Concept Plan Area.

- A. Applicability. This section applies to all development in the Medium Density districts within the Park Place Concept Plan Area.
- B. Relationship of Standards. These standards apply in addition to and supersede the standards of the R-5 zone within the Park Place Concept Plan Area. In the event of a conflict, the standards of this section control.
- C. Perimeter Transition. Along the boundary of the Park Place Concept Plan area where new development is proposed abutting existing residential development within the city the following additional standards shall apply to create a perimeter transition.
 - 1. Where any portion of a lot abuts existing residential development within the city outside of the concept plan area boundary, uses shall be limited to residential uses and roads, parks, trails, and open space.
 - 2. Where any portion of a lot abuts existing residential development within the city outside of the concept plan area boundary, the minimum lot size width, and depth shall meet the minimum dimensions of the abutting city residential zone district. For example, a lot inside the Park Place Concept Plan Area which abuts a city lot outside of the concept plan area that is zoned R-6 shall meet the minimum dimensions of the R-6 zone even when the lot inside the Concept Plan Area has a different zoned designation.
 - 3. Except for townhouse lots, an applicant may request up to a 20% reduction to the minimum lot sizes specified herein through a minor variance process per OCMC 17.60.020(D) and (E), or through a Master Plan adjustment per OCMC 17.65.070.
 - 4. Where any portion of a proposed lot abuts existing city residential development outside of the concept plan area boundary, all primary structures shall be set back a minimum of forty feet from existing city dwelling units outside the plan boundary.
 - 5. Within the forty-foot setback required in (4) above, landscaping shall be provided to buffer the perimeter. The landscaping shall meet any combination of the following standards:
 - a. Plant a minimum twelve inches total diameter of trees spaced an average of one tree for every thirty linear feet. Planted trees shall be a minimum caliper size of two inches at the time of planting and may be tree species chosen from the City's adopted street tree list or as recommended by a certified arborist or landscape architect. The trees may be planted on residential lots or in an abutting tract.

Commented [PW2]: CC directed to remove.

Commented [PW3]: CC directed to remove.

b. Preserve existing trees that have a minimum diameter of six inches DBH to achieve a minimum of twelve inches total diameter of preserved trees spaced a minimum of fifteen feet apart. Trees selected for preservation shall not be dead, diseased, dying or hazardous and shall not be invasive species. The preserved trees may be located on residential lots or in an abutting tract created for tree preservation consistent with OCMC 17.41.050.B;

c. Preserve existing native vegetation and trees within or adjacent to the Natural Resources Overlay District in compliance with OCMC 17.49 to achieve a minimum of twelve inches total diameter of native trees spaced an average of one tree for every thirty linear feet. Native trees selected for preservation may be smaller than 6 inches diameter at breast height but not smaller than one inch caliper as measured six inches above the root crown. Native trees may be located on residential lots or in an abutting tract created for tree and habitat preservation consistent with OCMC 17.49.

6. An alternative perimeter transition may be proposed as part of a master plan per OCMC 17.65, provided it is consistent with the goals of the adopted Park Place Concept Plan.

Explanation:

City Commission direction to remove the 20% adjustment allowance for townhome lots.

The additional standards for the Park Place Concept Plan area within the R-5 district are intended to create a transition between older residential development and newer, more intense residential development within the concept plan area. The "Northern Perimeter" of the concept plan boundary abuts several older low-density subdivisions, including Trailview (zoned R-10), Wasco Acres (zoned R-6), and Tracey Heights (zoned R-6).

The additional language "within the city" was added to clarify that the transition zone requirements are applicable only to where new development abuts existing zoned residential areas within Oregon City limits and not to areas with county zoning that are outside the city. In other words, the intent of the transition area was not to try to match existing County zoning, just City zoning.

Larger setbacks, lot sizes and screening is desired in this transition area between newer development within the concept plan area and existing lower density development outside.

Screening within the forty-foot setback area may be accomplished through the preservation of existing trees, planting of native vegetation abutting the NROD area, or a combination of landscaping plantings and fencing.

Larger subdivisions may opt to place the landscaping buffer in a separate open space tract to be maintained by an HOA, whereas smaller land divisions may choose a different approach.

Item 3 above was added to reflect the Planning Commission's support for allowing up to a twenty percent reduction in the minimum lot size specified within the transition area through a Type II minor variance process or through a Type III master plan adjustment, if applicable.

PPCP Key Elements:

5. A mix of housing types and ranges of affordability.

10. The use of green edges to define neighborhoods and buffer developments.

~~Title 17—ZONING~~~~Chapter 17.21 RESIDENTIAL STANDARDS—PARK PLACE CONCEPT PLAN AREA~~**Chapter 17.21 RESIDENTIAL STANDARDS—PARK PLACE CONCEPT PLAN AREA****17.21.010- Purpose.**

The ~~intent~~standards of this ~~chapter~~is~~section are intended~~ to ensure new residential development implements the goals and policies of the Park Place Concept Plan area ~~and the historic in compliance with state housing laws in order to promote high-quality residential development and construction, protect property values, encourage visual variety and architectural styles compatibility, ensure diversity of housing types, and promote an integrated character in the Park Place Concept Plan area. Specifically, the standards shall:~~

A. Provide clear and objectives standards for residential development.

A.B. Promote new residential developments that are distinctive, have character, and relate and connect to established neighborhoods in Oregon City. Appropriate architectural styles include: Western Farmhouse/Vernacular, Bungalow, Queen Anne Vernacular and Foursquare. The 2006 Historic Review Board's Design Guidelines for New Construction include additional architectural descriptions;

Explanation:

The purpose statement in section 17.21.010 is amended to remove the references to discretionary historical review guidelines and architectural styles, and to clarify that the chapter provides clear and objective standards for review of residential design as required by State Law.

As stated before, this revision removes the references to, as well as the pictures of architectural styles subject to discretionary interpretation to clarify that the chapter provides clear and objective standards for review of residential design as required by State Law.

PPCP Key Element:

5. A mix of housing types and ranges of affordability.

The purpose statement ties the code standards to the adopted PPCP, which is part of the city's adopted Comprehensive Plan, and the goals of the concept plan to provide diverse and affordable housing with good design.

C. Provide variety and visual interest in the exterior design of historic single-family structures in Oregon City-residential buildings;



Western Farmhouse/Vernacular



Bungalow (Craftsman)



Foursquare



Queen Anne Vernacular

~~(Ord. No. 08-1014, §§ 1-3 (Exhs. 1-3), 7-1-2009; Ord. No. 18-1009, § 1 (Exh. A), 7-3-2019)~~

D. Provide for a variety of lot sizes and housing types for a range of households and age groups;

E. Enhance the residential streetscape and diminish the prominence of garages and parking areas;

F. Enhance public safety by preventing garages from obscuring main entrances or blocking views of the street from inside residences; and

~~B-G.~~ Improve the compatibility of new residential development with the residential character of surrounding neighborhoods.

Explanation:

PPCP Key Element:

5. A mix of housing types and ranges of affordability.

The purpose statement ties the code standards to the adopted PPCP, which is part of the city's adopted Comprehensive Plan, and the goals of the concept plan to provide diverse and affordable housing with good design.

17.21.020 - Applicability.

A. This chapter applies to all new residential construction within the Medium and Low Density Residential Districts within the adopted boundaries of the Park Place Concept Plan area. Additions of

more than 50% of the existing gross floor area for homes existing prior to the adoption of this chapter in the Park Place Concept Plan area are subject to this section.

B. These standards are applicable in addition to the following residential design standards. In the event of conflicting standards, this Chapter shall control.

1. Single-family detached ~~single-family and duplex~~ residential units, ~~duplexes~~ shall comply with the applicable standards in OCMC Chapter 17.14.
2. Townhouses, triplexes, quadplexes, ~~townhouses, accessory dwelling units,~~ and cottage clusters ~~located within the Park Place Concept Plan areas. Additions to homes existing prior to the adoption of this chapter in a concept plan area or new residences outside of a concept plan area may choose review under this section~~ in any zone shall comply with the applicable standards in OCMC Chapter 17.16.
3. Accessory dwelling units, live/work dwellings, and manufactured home parks shall comply with the applicable standards in OCMC Chapter 17.20.

C. These standards do not apply to multi-family development, live-work units, ~~or OCMC 17.14, OCMC 17.16, or OCMC 17.20 as applicable~~ mixed-use development.

Explanation:

Clarifies that the standards of Chapter 17.21 are in addition to existing residential design standards. Housing designs are typically reviewed at the time of building permit review. If there is a conflict, the more restrictive or higher standard prevails. This supports architectural integrity and variety in residential neighborhoods.

PPCP Key Element:

5. A mix of housing types and ranges of affordability.

17.21.025 - Modifications that will better meet residential standards.

A. Residential plans that conform to the following standards may be approved as a Type I Decision ~~or with a building permit application~~. Residential plans that require approval of an exemption ~~shall or modification may be processed~~ approved as a Type II Land Use decision at time of land division, ~~or through a Type II modification prior to~~ building permit application.

~~{Ord. No. 08-1014, §§ 1—3(Exhs. 1—3), 7-1-2009; Ord. No. 18-1009, § 1(Exh. A), 7-3-2019; Ord. No. 22-1001, 1(Exh. A), 6-1-2022}~~

B. An applicant has the option of seeking a modification pursuant to the following criteria. Applicants may also request a variance to this standard pursuant to OCMC Chapter 17.60 or as a master plan adjustment to development standards pursuant to OCMC Chapter 17.65.

1. Criteria for modification to the standards:

- i. The modification will result in a development that better meets the applicable residential standard or housing diversity standard.
- ii. The modification or modifications are consistent with the purpose and intent of this Chapter as discussed in section 17.21.010 above.

Explanation:

Section 17.21.025 clarifies and relocates to one place in the chapter the process by which an applicant may seek modifications to the residential standards. Previously the process for modifications was restated in multiple subsections which was unnecessary and redundant. An applicant has the option of requesting the modification(s) at the time of land division or prior to a building permit, but in either case, the process requires a Type II decision with public notice and comment, and which may be appealed by persons with standing.

PPCP Key Element:

N/A. This revision is for process clarification only. It does not affect any standards.

17.21.030- ~~Roof design.~~

- A. Primary roofs shall be pitched at a minimum ratio of five-twelfths, except for non-gabled dormers, covered porches, or secondary roofs and masses.
- ~~B. Exemption: An exemption from the roof standard of subsection A above may be approved by the community development director if the resulting plan is consistent with the architectural style.~~
- ~~(Ord. No. 08-1014, §§ 1-3(Exhs. 1-3), 7-1-2009; Ord. No. 18-1009, § 1(Exh. A), 7-3-2019)~~
- ~~B. Flat roofs and shed roofs are not permitted except on accessory structures and for carports.~~
- ~~C. Other primary roof forms may be proposed through the Type II modification process per Section 17.21.025.~~

Explanation:

Various roof forms (including flat, hipped, gambrel, etc.) are permitted for single-family detached and duplex structures throughout Oregon City pursuant to OCMC Chapter 17.20. Requiring a traditional roof and minimum roof pitch for principal dwellings within the Park Place Concept Plan area promotes compatibility of new residential construction with existing architectural styles.

The exemption section will be deleted and replaced by subsection 17.21.025 – *Review Process* above.

The proposed cross-referenced Solar Access section has been deleted based on the Planning Commission's decision to remove that entire section of code.

Some Planning Commissioners supported allowing alternative roof forms. Staff has added this as a possible modification subject to Type II review.

17.21.040- ~~Modulation and massing - Massing.~~

New residences shall have a massing ~~and footprint~~ that is compatible with the envisioned pedestrian friendly neighborhoods of the concept plan area which is accomplished by regulating the overall building footprint.

- A. Residences with footprints over one thousand two hundred square feet (not including porch or deck areas) shall provide for secondary massing (such as cross gabled wings or sunroom/kitchen/dining room extensions) under separate ~~roof lines~~rooflines. Each secondary mass shall not have a footprint larger than six hundred square feet.
- ~~B. Porches, additions and attached garages with separate rooflines may also be used to satisfy the massing requirements above.~~

Explanation:

Removed discretionary language from the previous requirements. The Planning Commission supported allowing porches, additions and attached garages with separate rooflines to meet the massing requirement.

17.21.050- ~~Porches and entries.~~

- A. Each residence shall contain a front porch with a front door that faces the street that is ~~a minimum of twenty four inches above average grade with skirting and is~~ at least eighty square feet with no dimension under six feet with the wider dimension parallel to the street. ~~Porch railings are required.~~ The front porch shall be covered.
- ~~B. Exemption: Residence styles that do not contain a front porch or require a reduction in the size of the porch or its location may request an exemption from the community development director from subsection A above, if another type of pronounced entryway is provided. Pronounced entrances may include a rounded front door, canopy or other articulated entrances, columns, and/or other similar features provided they are compatible with the architectural style of the house. A reduced porch may be allowed if there is sufficient architectural or topographical reason to reduce the size of the porch.~~
- ~~C.~~ All subdivisions shall have at least seventy-five percent of the housing utilize front porches as approved under subsection A above.
- ~~D.~~ Each residence shall have a separate delineated pedestrian connection from the front door of the unit to the sidewalk that is a minimum width of three feet. The pedestrian connection shall be separate from a driveway.

Explanation:

Planning Commission supported removing the requirement for a 24" raised front porch and railings, citing unreasonable additional cost and to allow builder greater flexibility. The requirements for a minimum size of the porch and the requirement that it be covered remain. ~~p~~Planning commission supported deferring to the building code regarding whether porch railings are required but did not support requiring railings for aesthetic / architectural reasons only.

17.21.060- ~~Architectural details.~~

- A. Residences shall contain architectural details. Each of the types of details listed below are worth one point unless otherwise noted. Residences ~~must~~shall achieve the equivalent of five points worth of architectural details.
1. ~~A.~~ Stonework detailing on columns or across foundation.
 2. ~~B.~~ Brick or stonework covering more than ten percent of the front facade.
 3. ~~C.~~ Wood, clad wood, or fiberglass windows on all four elevations of the building (two points).
 4. ~~D.~~ Decorative roofline elements (choose two): Roof brackets, rake board at edge of all roof and porch, eaves, roof eaves that extend at least eighteen inches.
 5. ~~E.~~ Decorative siding elements (choose two): Barge board/frieze boards (minimum eight inches) under eaves, waterboard at foundation line and between floors (minimum six inches), corner board at all corners.
 6. ~~F.~~ Decorative porch elements (choose one): Scrolls, brackets, or wrapped and finished porch railings and posts.
 7. ~~G.~~ Decorative shingle design covering ten percent of the facade.

~~H. Exemption: Other architectural detailing may be approved by the community development director if they are constructed with quality material, have a high level of craftsmanship and are consistent with the architectural style of the residence.~~

~~(Ord. No. 08-1014, §§ 1-3 (Exhs. 1-3), 7-1-2009; Ord. No. 18-1009, § 1 (Exh. A), 7-3-2019; Ord. No. 22-1001, 1 (Exh. A), 6-1-2022)~~

17.21.070 Approved siding - Siding Materials.

A. Siding materials shall include:

1. A. Brick.

2. B. Basalt stone or basalt veneer.

~~C. Narrow horizontal wood or composite siding (five inches wide or less); wider siding will be considered where there is a historic precedent.~~

3. D. Horizontal plank, lap or tongue and groove siding (wood or composite).

4. Vertical panel board and batten siding (wood or composite), or

~~E. Exemption: Other materials may be approved by the community development director if they are consistent with the quality of the approved siding materials and have historic precedence in Oregon City.~~

~~(Ord. No. 08-1014, §§ 1-3 (Exhs. 1-3), 7-1-2009; Ord. No. 18-1009, § 1 (Exh. A), 7-3-2019)~~

5. Shingle or shake siding and panels (wood or composite).

Explanation:

Removed discretionary language from the previous requirements. Planning Commission supported allowing more flexibility to use other exterior forms of siding and paneling, citing building cost and need for greater flexibility. Staff has added the three typical siding types (horizontal plank, vertical panel, and shingle / shake). Removed discretionary language from the previous requirements.

17.21.080 Windows.

A. ~~All windows on all elevations must be recessed at least two inches from the facade and incorporate window trim at least four inches in width. All elevations must~~ All elevations shall provide an average of one window every fifteen feet of linear elevation on each floor of each elevation. If shutters are used, they shall be half of the window opening each such that the entire window opening is covered when they are closed.

B. All windows shall include trim of a minimum of two inches in width on all elevations.

~~B. Exemption: An exemption may be granted by the community development director from the window standard of subsection A above if the proposed windows provide for some amount recess depth and the side elevation is consistent architecturally with the front elevation of the house in window prominence.~~

~~C. All subdivisions shall have at least seventy-five percent of the housing meet the standards under subsection A above.~~

Explanation:

Removed discretionary language from the previous requirements for windows. Added minimum trim width for principal structure per Commission direction.

~~(Ord. No. 08-1014, §§ 1—3(Exhs. 1—3), 7-1-2009; Ord. No. 18-1009, § 1(Exh. A), 7-3-2019)~~

17.21.090 – Garage Orientation

- ~~A. B. Exemption: An exemption may be granted by the community development director from the garage requirement of subsection A above if topographic or pre-existing lot layout prevents the construction of detached, rear entry or side entry garages on-site or if the applicant proposes a design that mitigates the impact a front entry attached garage has on the pedestrian environment. Any alternative attached garage design shall not project farther than the living area and shall be limited to garage door widths of ten feet or less.~~

~~(Ord. No. 08-1014, §§ 1—3(Exhs. 1—3), 7-1-2009; Ord. No. 18-1009, § 1(Exh. A), 7-3-2019)~~

Front loaded garages and driveway cuts shall not be permitted on any road designated as a collector, neighborhood collector, minor arterial or arterial street.

- B. Front loaded garages and driveway cuts shall not be permitted abutting a public street that abuts a public park.

Explanation:

This section previously mandated side or rear entry garages except in certain situations. Upon further review, this requirement has been removed except in the situations cited above.

Staff has decided to remove the prohibition on front loaded garages and the alley requirement throughout the plan area and only retain the prohibition on front loaded garages when a lot fronts a collector street or is across the street from a public park, as permitted under SB 1537.

The main reason for this change is that even the flattest portions of the developable areas are surrounded by steeper slopes or NROD and will still require significantly more cut-and-fill to achieve grades to construct alleys, adding to engineering and housing costs.

Also, commissioners pointed out that the use of alleys does not guarantee a walkable, vibrant pedestrian-friendly streetscape.

Access control and driveway restrictions requiring alleys would still be regulated abutting collector or higher classification roads, per OCMC 16.12.

The simplest approach is to remove the alley requirement except for situations where lots abut collector or higher classification roads. This will maintain safety of driving conditions and bikes and pedestrians on the these roads with fewer curb cuts and exiting vehicles.

17.21.095 - Accessory Structures

- A. Detached Accessory structures over 200 square feet in size shall be designed consistent with the primary residence as follows:

1. Exterior siding materials visible from the street shall match the principal exterior siding material and exposed width of siding on the principal dwelling.
2. All windows shall include the same trim type and size as those on the principal dwelling unit, provided that the size of the trim shall be a minimum of two inches in width.
3. Eaves shall project from the building walls at the same distance as the eaves on the principal dwelling unit.

Explanation:

This set of standards for larger accessory structures includes clear and objective criteria from the city's existing standards for Accessory Dwelling Units. This standard would not allow pre-ordered engineered steel buildings, aka "pole barns", which are permitted elsewhere in the city.

~~17.21.100—Solar Access Standards~~

- ~~A. Siting Requirements: All residential structures shall be designed and constructed in compliance with the following solar siting requirements:~~
- ~~B. All new residential units shall have a roof surface that meets all the following criteria:~~
- ~~1. Is oriented within 30 degrees of a true east-west direction;~~
 - ~~2. Is not sloped towards true north; and~~
 - ~~3. Includes a minimum of 100 square feet of un-shaded roof area per unit.~~

Explanation:

Planning Commission does not support adding a requirement for solar access and siting due to difficulty of administration and not wishing to limit homeowners' options for solar power equipment placement. Subsequently this proposed section is no longer included.

Formerly, supplemental zoning regulations in the City's code (OCMC Section 17.54.070) established solar access standards (maximum shade point heights and maximum shade height on solar features) for single family residential development. The code was incredibly complex to implement, monitor and enforce. Instead, if solar access standards are desired to maximize passive solar heating and simplify solar array placement for homes and to reinforce the street layout proposed for Park Place, it is recommended that solar orientation standards be simpler. The sample solar orientation regulation language is adapted from the Oregon Department of Energy and Boulder, Colorado. Staff will be reviewing home designs for compliance with this standard at the time of building permit review.

17.21.105 – Park Place Concept Plan Housing Diversity Standards**A. Purpose**

1. To promote a more diverse community through the provision of a variety of housing types.
2. To discourage developments that are dominated by a single type of home or dwelling unit with a narrow range of price points and densities.
3. To encourage "neighborhood-oriented" residential developments that incorporate a variety of housing types, including duplex, tri-plex, quad-plex, cottage clusters, live-work units, townhomes, apartments, and single-family dwelling units in a range of sizes.

B. Applicability of Standards:

1. These standards apply at the time of an application for a subdivision or partition.
2. The standards of this section shall not apply to:
 - a. Residential developments that have been approved with modifications per subsection 17.21.025.(B).
 - b. Any housing units proposed within the Neighborhood Commercial zone (NC).
- C. A residential subdivision shall provide a minimum number of lots for Middle Housing, based on the size of the development as required in Table 17.21.105:

TABLE 17.21.105:

<u>Minimum Required Housing Diversity within the Park Place Concept Plan Area</u>	
<u>Net Developable Area*</u>	<u>Required Minimum % of Lots for Middle Housing**</u>
<u>0—1 Acres</u>	<u>1 housing type</u>
<u>1.1 to 10 Acres</u>	<u>15%</u>
<u>10.1 to 30 Acres</u>	<u>20%</u>
<u>30.1 Acres+</u>	<u>25%</u>

*The Development Site is based on the Net Developable Area and may comprise multiple parcels or properties. See Definition in OCMC 17.04.810, "Net developable area".

**See Definition in OCMC 17.04.752, "Middle housing" means duplexes, triplexes, quadplexes, townhouses and cottage clusters.

- D. To achieve better distribution of housing types within a residential development, no more than three middle housing original lots shall be permitted to abut one another. For purposes of this section, "abut" or "abutting" means lots share a common lot line for a minimum of ten feet. This standard is applicable only to the residential subdivision or partition review.
- E. The middle housing lots shall be identified on the preliminary plans and the final plat of the subdivision through a plat note.
- F. Following recordation of a final plat that complies with this section, this standard shall be satisfied. This standard does not preclude future additional middle housing units or middle housing land divisions within a residential subdivision or partition.

Explanation:

Staff reviewed codes that mandate housing diversity from Salem, Wilsonville, and other cities. These codes vary widely in their complexity and ease of administration. Wilsonville has a long history of fairly complex PUD and design review approval for large scale residential subdivisions that is nothing like Oregon City. The above table is like what the City of Salem has used. Rather than dictate various housing types, it requires a minimum percentage of all units be middle housing and leaves the decision of what kind of middle housing to the developer or builder. Staff feels that this provides the right balance of regulation with the realities of market driven housing development.

Table 17.21.105 was changed to require lots to be identified at time of subdivision rather than units. This is the mechanism needed by the City to ensure a certain amount of middle housing lots will be developed with middle housing units. But allow for the possibility that the type of middle housing unit may change following platting. Sections D, E, and F were added to accommodate flexibility of middle housing unit choice following platting and the potential for further Middle Housing Land Divisions as required by State housing rules.

PPCP Key Elements:

5. A mix of housing types and ranges of affordability.

Chapter 17.24 NC NEIGHBORHOOD COMMERCIAL DISTRICT

17.24.010 Designated.

The neighborhood commercial district is designed for small-scale commercial and mixed-uses designed to serve a convenience need for residents in the surrounding low-density neighborhood. Land uses consist of small and moderate sized retail, service, office, multi-family residential uses or similar. This district may be applied where it is appropriate to reduce reliance on the automobile for the provision of routine retail and service amenities, and to promote walking and bicycling within comfortable distances of adjacent residential infill neighborhoods, such as within the Park Place and South End Concept Plan areas. Approval of a site plan and design review application pursuant to OCMC 17.62 is required.

17.24.020 Permitted uses—NC.

The following uses are permitted within the neighborhood commercial district:

- A. The following uses are permitted in the mixed-use corridor, provided the maximum footprint for a stand-alone building with a single store or multiple buildings with the same business does not exceed ten thousand square feet, unless otherwise restricted in this chapter;
1. Child care centers and/or nursery schools.
 2. Health and fitness clubs.
 3. Museums, libraries and cultural facilities.
 4. Offices, including finance, insurance, real estate and government.
 5. Outdoor markets, such as produce stands, craft markets and farmers markets that are operated on the weekends and after six p.m. during the weekday.
 6. Postal services.
 7. Repair shops, for radio and television, office equipment, bicycles, electronic equipment, shoes and small appliances and equipment.
 8. Restaurants, eating and drinking establishments without a drive-through.
 9. Services, including personal, professional, educational and financial services; laundry and dry-cleaning.
 10. Retail trade, including grocery, hardware and gift shops, bakeries, delicatessens, florists, pharmacies, specialty stores.
 11. Seasonal sales.
 12. Studios and galleries, including dance, art, photography, music and other arts.
 13. Utilities: Basic and linear facilities, such as water, sewer, power, telephone, cable, electrical and natural gas lines, not including major facilities such as sewage and water treatment plants, pump stations, water tanks, telephone exchanges and cell towers.
 14. Veterinary clinics or veterinary hospitals, pet day care.
 15. Home occupations.

Commented [PW1]: Changed “pet” to “veterinary” per CC direction.

- B. Grocery stores, provided the maximum footprint for a stand-alone building with a single store or multiple buildings with the same business does not exceed forty thousand square feet;
- C. Live/work dwellings;
- D. Outdoor sales that are ancillary to a permitted use on the same or abutting property under the same ownership.

E. Additional uses permitted within the Thimble Creek Concept Plan area per OCMC 17.24.50.(C).

F. Additional uses permitted within the Park Place Concept Plan area per OCMC 17.24.060.(C).

Explanation:

Provides a cross-reference to the reader for the additional uses permitted in these concept plans.

The City Commission discussed Neighborhood Commercial uses at their September 4 2024 meeting and gave a consensus that they wanted to see a limited set of uses in the NC district that were intended to serve the neighborhoods nearby, would attract businesses and patrons alike, and did not want to see uses that might dissuade visitors and businesses from the NC district.

Per Commission direction, "pet hospital" was changed to "veterinary hospital" under A.(14), a permitted use subject to the ten thousand square foot limitation of the section.

PPCP Key Element:

3. Neighborhood-oriented commercial nodes that integrate commercial land uses, residential land use, and public open space.

17.24.025 Conditional uses.

The following conditional uses may be permitted when approved in accordance with the process and standards contained in OCMC 17.56:

- A. Any use permitted in the neighborhood commercial district that has a building footprint in excess of ten thousand square feet;
- B. Emergency and ambulance services;
- C. Drive-through facilities;
- D. Outdoor markets that are operated before six p.m. on weekdays;
- E. Public utilities and services such as pump stations and sub-stations;
- F. Religious institutions;
- G. Public and or private educational or training facilities;
- H. Gas stations;
- I. Hotels and motels, commercial lodging;

~~J. Veterinary clinic or pet hospital.~~

Commented [PW2]: Changed per CC

Explanation:

At the work session the Planning or City commission expressed the desire to conserve the limited amount of NC zoned land for commercial uses and mixed-use rather than allow the land to be taken up by public stormwater ponds or park facilities, although civic uses that foster activity and gatherings may be appropriate. Whether stormwater facilities and park uses should be a Conditional Use, subject to Planning Commission review and approval, rather than a Prohibited Use was considered, but the final recommendation was to have a size limitation on these uses.

PPCP Key Element:

3. Neighborhood-oriented commercial nodes that integrate commercial land uses, residential land use, and public open space.

17.24.035 Prohibited uses.

The following uses are prohibited in the NC District:

- A. Distributing, wholesaling and warehousing;
- B. Outdoor storage;
- C. Outdoor sales that are not ancillary to a permitted use on the same or abutting property under the same ownership;
- D. Hospitals;
- E. Kennels;
- F. Motor vehicle sales and incidental service;
- G. Motor vehicle repair and service;
- H. Self-service storage facilities;
- I. Heavy equipment service, repair, sales, storage or rental (including but not limited to construction equipment and machinery and farming equipment);
- J. Marijuana production, processing, wholesaling, research, testing, and laboratories;
- K. ~~Mobile food units or vendors, except with a special event permit;~~
- L. ~~Residential use that exceeds fifty percent on the ground floor unless set back a minimum of the total building square footage on site one hundred feet from the property line along Livesay Road / Main Street~~

Explanation:

Civic uses that foster activity and gatherings, including mobile food units, may be an appropriate allowed use in the NC zone. Transitory and Non-Transitory Mobile food units are not currently permitted in any of the Mixed Use zone districts. Food carts are subject to specific site plan and design review standards under [OCMC 17.54.115](#). Whether stormwater facilities and park uses should be a Conditional Use, subject to Planning Commission review and approval, rather than a Prohibited Use was considered, but the final recommendation was to have a size limitation on these uses.

An additional modification was made to allow residential uses that are more than 50% of the total building square footage. The Planning Commission was concerned that commercial would not be viable in the location it is identify for and thought that the pressing need at this time and place not only in Oregon City, but the State, and nation is for housing. At the same time there was concern that unlimited allowance for residential uses would not protect the long term vision for commercial activity and the compromise by the Planning Commissioners was to increase the amount of allowed residential use as a part of a larger mixed use development.

This section was later amended by the City Commission who felt that a percentage would be challenging to regulate and that prohibiting ground floor residential will protect the zone for commercial uses.

PPCP Key Element:

3. Neighborhood-oriented commercial nodes that integrate commercial land uses, residential land use, and public open space.

17.24.040 Dimensional standards.

Dimensional standards in the NC district are:

A. ~~A~~Minimum Building Height. None, however, the City encourages multi-story development designs that incorporate retail, live-work and multi-family uses subject to applicable standards.

a. ~~Non-regulatory incentives. Applicants are encouraged to consider the vertical housing tax credit program, storefront improvement grant program and other incentives that may be available through the Economic Development Department.~~

Explanation:

This type of reference to non-regulatory incentives is not typically included in a zoning chapter, however, it's inclusion here is intended to provide some guidance for applicants as a "carrot" rather than a "stick". Non-regulatory incentives may be just as effective in promoting commercial development in the area than increased height limits.

PPCP Key Element:

3. Neighborhood-oriented commercial nodes that integrate commercial land uses, residential land use, and public open space.

B. ~~Maximum building height: Forty-five feet or three stories, whichever is less.~~

B.C. ~~Maximum building footprint: Ten thousand square feet.~~

C.D. ~~Minimum required setbacks if not abutting a residential zone: None.~~

D.E. ~~Minimum required interior and rear yard setbacks if abutting a residential zone: Ten feet plus one-foot additional yard setback for every one foot of building height over thirty-five feet.~~

E.F. ~~Maximum Allowed Setback.~~

1. Front yard setback: Five feet.
2. Interior yard setback: None.
3. Corner side yard setback abutting a street: ~~Thirty feet.~~

(a) thirty feet;

(b) five feet in the Thimble Creek and Park Place Concept Plan areas.

4. Rear yard setback: None.

G. Public utility easements may supersede the minimum setback. Maximum setback may be increased per OCMC 17.62.055.D.

~~F.~~ H. 1. Standards for residential uses: Residential uses shall meet the minimum net density standards for the R-3.5 district, except that no minimum net density shall apply to residential uses proposed above nonresidential uses in a mixed-use configuration or to live/work dwellings. Any new lots proposed for exclusive residential use shall meet the minimum lot size and setbacks for the R-3.5 zone for the proposed residential use type.

G.I. Minimum required landscaping ~~(including: twenty percent. Required landscaping areas may include:~~
a. Landscaping within a parking lot); Fifteen percent.

~~(Ord. No. 08-1014, §§ 1-3 (Exhs. 1-3), 7-1-2009; Ord. No. 18-1009, § 1 (Exh. A), 7-3-2019; Ord. No. 19-1008, § 1 (Exh. A), 12-18-2019; Ord. No. 21-1007, § 1 (Exh. A), 4-21-2021)~~

b. Planter boxes.

c. Eco or green roofs.

d. Paved courtyard or plaza with at least twenty-five percent of the area used for landscaping, planter boxes, and/or water features including shade trees planted at the ratio of one tree for every five hundred square feet of urban plaza area.

e. Low Impact Development (LID) stormwater facilities

17.24.060 Additional standards for Park Place Concept Plan Area.

A. Applicability. This section applies to all development in the NC district within the Park Place Concept Plan Area.

B. Relationship of Standards. These standards apply in addition to the standards of the NC zone district within the Park Place Concept Plan area. In the event of a conflict, the standards of this section shall prevail. Type II modification of these standards is permitted pursuant to Section 17.62.015. If applicable, applicants may also request a Type III variance from these standards pursuant to Chapter 17.60 – Variances or a Master Plan adjustment pursuant to OCMC 17.65.070 - 17.65.070 - Adjustments to development standards.

C. Additional Permitted Uses.

1. Civic Uses. Civic uses permitted include non-profit, private, and government uses such as art galleries, museums, indoor and outdoor music and theatre venues, childcare facilities, , clubs and lodges, and libraries, community centers, environmental learning centers, and post offices.
2. Off-site stormwater facilities that are less than .5 square acres in size. An "off-site" facility is one that accommodates stormwater that is created at a location zoned R-10, R-8, R-6, R-5, R-3.5 or R-2 and includes the following:
 - a. A public access easement and maintenance agreement.

b. An improved soft surface trail at least 4 feet wide providing access to at least three benches for public use.

3. Park land improvements that are less than .75 acres in size.

D. Residential Uses. Residential uses shall be subject to the following additional standards:

1. Residential uses are permitted but shall not be located on the ground floor within the Park Place Concept Plan Neighborhood Commercial Zoning District except as provided under (2) below.

2. All ground-floor residential uses, except for entrances for upper-story residential uses, shall be set back a minimum of one hundred feet from the property line along Livesay Road / Main Street.

3. Upper-story residential uses are permitted.

4. Live/work dwellings are subject to OCMC 17.20.040. Live/work dwellings are not subject to OCMC 17.24.035(K) and are not subject to OCMC 17.24.060 (D) (1) or (2).

Explanation:

Ater several discussions the Planning Commission recommended removing the previous 50% restriction on residential use for the NC zone because of the very limited viability of commercial use in the short term, as discussed in the Johnson Economics market study. Instead, City Commission recommended simpler code language to require any ground floor residential use in the NC zone be setback from Livesay Road 150 feet. This section adds more detail to allow civic uses within the zone subject to applicable site plan and design review, but would not makes these uses obtain a conditional use permit.

Live/Work dwellings would not be subject to the setback restriction and are subject only to 17.20.040.

Restrictions on the size of storm water facilities and park land improvements were added to this section so that the specific restrictions would only apply to NC in the Park Place area. The size restrictions were added to protect commercial land. If a park or off-site storm water facility needed more acreage an applicant could make a variance application.

PPCP Key Elements:

2. Two distinct mixed-use neighborhoods (North Village and South Village) that accommodate 1,459 new dwelling units.
3. Neighborhood-oriented commercial nodes that integrate commercial land uses, residential land use, and public open space.
4. An area for a new civic institution, such as a library or community center.

F. Site Design Standards. The standards in Section 17.62.055 shall apply to neighborhood commercial development within the Park Place Concept Plan area.

1. Siting of structures. At least sixty percent of the site frontage width shall be occupied by buildings placed within five feet of the property line. For sites with less than one hundred feet of street frontage, at least fifty percent of the site frontage width shall be occupied by buildings placed within five feet of the property line.

2. Parking. Parking areas shall be located behind the building façade that is closest to the street or below buildings. Parking areas shall not be located on the sides of buildings or between the street and the building façade that is closest to the street. On-street parking is permitted subject to street standards in Chapter 16.12 and may be credited toward required off-street parking pursuant to the Off-street Parking and Loading standards in Chapter 17.52.

3. Building facades and entrances. All buildings along the street frontage shall face the front most architecturally significant facade toward the street and have a functional primary building entrance

facing the street. Primary building entrances shall be clearly defined and recessed or framed by a sheltering element such as an awning, arcade or portico in order to provide shelter from the summer sun and winter weather.

4. Pedestrian Elements. Buildings located along the Village Center main streets in Park Place (Livesay Road, Donovan Road, Swan Avenue) shall incorporate a minimum of three (3) of the following elements in the front setback area. These standards are intended to create more transparency and visual interest of buildings, particularly for pedestrians at the street level in order to encourage residents to gather and customers to relax and linger.

- (a) Canopies or overhangs (5'-0" minimum depth, measured from either the face of the column or the street-facing elevation) for 50% of the width of the building. Canopies shall not project into public utility easements or right-of-way without obtaining proper permitting.
 - (b) Transom window at least 60% of façade width.
 - (c) Storefront frieze, horizontal sign band, or a belt course above the transom window or mezzanine level.
 - (d) Window planter box (minimum of one per window).
 - (e) Projected window sill (at least 2" from building wall plane and 12" to 24" above grade).
 - (f) A plaza, courtyard, square or extra-wide sidewalk next to the building entrance (minimum width of six feet)
 - (g) Sitting space (i.e., dining area, benches, garden wall or ledges between the building entrance and sidewalk) with a minimum of 16 inches in height and 30 inches in width, and located within thirty feet of the street frontage. Sitting space shall include ADA accessible seating.
 - (h) Public art (e.g., fountain, sculpture).
 - (i) Landscape treatments integrating arbors, low walls, trellis work; or similar elements.
 - (j) Enhanced architectural details such as tile work and moldings distinct from the principal facade treatments.
5. Corner Building Entrances. These standards apply to the first 50 feet of depth of property in the NC zone district where a building is located at a corner. One of the following building entry standards shall be met.
- (a) Locate the primary entry to the building at the corner of the building or within 25 feet of the corner of the building.
 - (b) Incorporate prominent architectural elements, such as increased building height or massing, a cupola, a turret, or a pitched roof, at the corner of the building or within 25 feet of the corner of the building.
 - (c) Chamfer the corner of the building (i.e. cut the corner at a 45-degree angle and a minimum of 10 feet from the corner) and incorporate 2 of the following list of elements in the cut.
 - i. Extended sheltering weather protection (arcade, canopy, or awning).
 - ii. Special paving materials differing from adjoining walkway.
 - iii. Sitting space (i.e., dining area, benches, garden wall or ledges) between the building entrance and sidewalk with a minimum of 16 inches in height and 30 inches in width.
 - iv. Planter boxes

Explanation:

The Site Plan and Design Review standards of section (F) above are intended to better define and implement the “main street” concept of the PPCP. Note that the various building, architectural features and pedestrian design elements are presented as a more prescriptive set of requirements rather than as a menu of options.

PPCP Key Element:

3. Neighborhood-oriented commercial nodes that integrate commercial land uses, residential land use, and public open space.

17.62.061 and 16.08.043 - Additional public park, trail and open space requirements in Park Place Concept Plan Area

(Staff Note: the numbering format of this draft code section is subject to further revision, but the same section will be added to both OCMC 17.62 – Site Plan and Design Review, and OCMC 16.08 – Land Divisions)

A. Dedication requirements.

1. Where a proposed park, playground, trail, or open space shown within any of the adopted Plans and Figures listed under (3) below is located in whole or in part in a proposed residential land division, the applicant shall dedicate or reserve such area within the development pursuant to the standards of this section, provided that the reservation or dedication is roughly proportional to the impact of the development on the park system.
2. Acquisition by public agency. If the applicant is required to reserve land area for a park, trail or open space, such land shall be acquired by the appropriate public agency within 18 months following plat approval, at a price agreed upon prior to approval of the plat, or such reservation shall be released to the subdivider.
3. Adopted Plans and Figures:
 - a. Oregon City Parks Master Plan Update (2024)
 - b. ~~a.~~ Oregon City Parks and Recreation Master Plan Update (2008)
 - c. ~~b.~~ Oregon City Trails Master Plan (2004)
 - d. ~~e.~~ Oregon City Conceptual Trails Map (2004) Map – Existing and Proposed Trails (Trails L-5, L-6 and L-7)
 - e. ~~d.~~ Park Place Concept Plan (2008) – Figure 3-4. Concept Plan Street System Map (Off-Street Trails)
 - f. ~~e.~~ Park Place Concept Plan (2008) – Figure 3-8: Proposed Trail System
 - g. ~~f.~~ Oregon City Transportation System Plan (2013) - Figure 5. Multi Modal Connectivity Plan
 - h. ~~g.~~ Oregon City Transportation System Plan (2013) – Figure 19: Walking Solutions (P. 64)
 - i. ~~h.~~ Oregon City Transportation System Plan (2013) – Figure 20: Biking Solutions (P. 65)
 - j. ~~i.~~ Oregon City Transportation System Plan (2013) – Figure 21: Shared Walking and Biking Solutions (P. 66)

B. Non-Residential development park dedication.

Commercial development shall contribute to the creation of the parks, trails and open space within the Park Place Concept Plan boundaries by contributing a fee-in-lieu to the city to support the acquisition of needed park and open space land as follows:

1. The fee-in-lieu of dedication ~~will be (in dollars per acre) shall be set by City Commission resolution based on relevant economic indices and the typical market value of developed property (residential lots) in Oregon City net of related development costs. set by the city commission equivalent to the System Development Charge for non-residential development, and adopted yearly in the city's fee schedule. The fee shall only be used by the city for park, trail and open space acquisition and interim site development.~~
2. The fee-in-lieu or other equivalent monetary contribution, approved by the community development director, shall be paid prior to approval of the first certificate of occupancy within the commercial development.

3. The fee-in-lieu shall be retained in a dedicated account by the City for the acquisition of land for park, trail and open space acquisition as depicted in the plans and figures listed in (A)(3) within the Park Place Concept Plan area.

4. Once all land depicted in (A)(3) is acquired, no further fee-in-lieu of dedication shall be assessed.

C. Residential development park dedication.

Residential development shall dedicate land for parks subject to the location and development standards requirement set forth in subsection F.

1. The minimum acreage of land to be dedicated shall be calculated as follows: (2.6 persons per dwelling units) × (total number of dwelling units proposed) × (four acres)/(one thousand persons).

Example: Total dwelling units = 50

$$2.6 \times 50 \times 4 / 1000 = 0.52 \text{ acres.}$$

2. The city ~~shall~~ may accept a fee-in-lieu of dedication pursuant to subsection E of this section, if property a suitable site meeting the criteria described in subsection F of this section is not available within the development site.
3. The required acreage shall be dedicated as part of a final plat, through a deed of dedication, or other acceptable document approved in form by the Community Development Director;
4. Dedication of open space may occur concurrently with development of a project. For phased development, the open space may be set aside in totality and/or dedicated in conjunction with the first phase of the development or incrementally set aside and dedicated in proportion to the development occurring in each phase.

Explanation:

The PPCP calls for the provision of 8-10 acre community park in the North Village area and a 3-5 acre neighborhood park in the South Village area that would be connected by extensive system of off-street and on-street trails and pedestrian/bicycle connections. As with the discussion of critical road infrastructure discussed above, the City is constrained in its ability to exact park land dedication and improvements to that which is roughly proportional to the impact of development. In order to deal with these limitations, city staff is proposing a formula similar to the one in place for residential development within Thimble Creek. OCMC 17.62.059 requires the dedication of park land or an in-lieu fee that is based on a proportional formula based on number of individuals in each dwelling multiplied by the number of dwelling units at **four acres per 1000 people**. Under this approach, every new housing unit will contribute its fair share for the park. If future development is so piecemeal that it precludes dedication of the minimum PPCP required parkland, the City will have to be prepared to buy whatever remaining pieces are necessary using the funds collected in-lieu fees, either through negotiation or eminent domain, if necessary.

PPCP Key Elements:

6. An extensive system of off-street and on-street trails and pedestrian/bicycle connections.
11. Integration of parks and open spaces into existing and future neighborhoods.

D. Reimbursement for additional dedication.

If a larger area for a park or open space is proposed than is required based on the per-unit calculation described in subsection C(3), the applicant may be eligible for city shall reimburse a System Development Charge credits the applicant for the value of the amount of land that exceeds the required dedication pursuant to OCMC 13.20.040. ~~based on the fee-in-lieu formula expressed in subsection E.~~

E. Fee-in-lieu of Dedication.

The city ~~shall~~may accept a fee-in-lieu as an alternative to ~~this~~ dedication ~~where at its discretion or may require a fee-in-lieu if a suitable site property~~ meeting the criteria described in subsection F of these provisions is not available within the development site. The calculation of the fee-in-lieu ~~or other monetary contributions~~ shall meet the following standards:

1. The amount of the fee-in-lieu (in dollars per acre) shall be set by City Commission resolution based on relevant economic indices and the typical market value of developed property (residential lots) in Oregon City net of related development costs. shall be assessed based on the City's per unit System Development Charge calculations in place at the time of the land use application. ~~of other monetary contributions shall be determined by a licensed, city selected appraiser retained by the applicant, who will value the excessive dedication assuming that zoning and other land use entitlement necessary for park and open space development are in place.~~
2. The fee-in-lieu ~~or other monetary contribution~~ shall be paid prior to the recording of the plat. ~~concurrently with the public dedication.~~
3. The fee-in-lieu ~~or other monetary contribution~~ is separate from and in addition to any Parks System Development Charges (SDCs) required or credits that may be available pursuant to OCMC 13.20-~~However, the applicant may be eligible for System Development Charge credits pursuant to OCMC 13.20.040.~~
4. The fee-in-lieu shall be retained in a dedicated account by the city for the acquisition of land for park, trail and open space acquisition as depicted in the plans and figures listed in (A)(3) within the Park Place Concept Plan area.
5. Once all land depicted in (A)(3) is acquired, no further fee-in-lieu of dedication shall be assessed.
The fee-in-lieu shall be retained in a dedicated account by the City for the acquisition of land for park land and development of parks in the Park Place Concept Plan area.

F. Park Location and development standards.

Park, trail and open space proposed for dedication shall be located as shown in the list of adopted plans and figures under A (3) above, as applicable, and meet the following locational and development standards:

1. North Village Community Park (8 acres)
 - a. The total minimum amount of land in acres dedicated for the North Village Regional Park shall be 8 acres.
 - b. At least half of the frontage of the North Village Community Park shall abut a publicly dedicated street. If located at an intersection, both street frontages may be combined to meet this standard.
 - c. Minimum size dedication city will accept: three (3) contiguous acres, except that any proportional share calculated pursuant to the formula under section C.3 above that equals less than 3 acres may be satisfied through a fee-in-lieu per section (E).
 - d. Minimum park dimension (width ~~and or~~ depth): five hundred feet.
 - e. The park shall be connected to the regional trail system and shall be available for use by the general public.
 - f. A "shadow plat" shall be submitted with an application for a land division if park land dedication is less than the full 8 acres. The "shadow plat" will indicate where the boundaries of the future park land will be located and serve as an indicator for park dedication in future development applications.

- g. In the North Village of the Park Place area, if a proposed land division does not abut the park or "shadow plat" then the applicant shall pay a fee-in-lieu rather than dedicate land.
- h. If a proposed land division does abut the park land or the "shadow plat" the applicant shall dedicate the proportionate share of park land.
- i. Not more than 20 percent of the park may exceed 15 percent slope prior to grading. Zero percent of the park shall include a wetland, stream or other protected resource within the Natural Resource Overlay District, except that up to a half of the required vegetated corridor width adjacent to a protected resource specified in OCMC 17.49.110 – Width of vegetated corridor may be included within the park boundary.

2. South Village Neighborhood Park (4 acres).

- a. The total minimum amount of land in acres dedicated for the South Village Neighborhood Park shall be 4 acres.
- b. At least half of the frontage of the South Village Community Park shall abut a publicly dedicated street. If located at an intersection, both street frontages may be combined to meet this standard.
- c. Minimum size dedication city will accept: two (2) contiguous acres, except that any proportional share calculated pursuant to the formula under section C.3 above that equals less than two acres may be satisfied through a fee-in-lieu per section (E).
- c. Minimum park width (east-west dimension): four hundred feet.
- d. Minimum park depth (north-south dimension): two hundred feet.
- e. A minimum of three acres of the park shall have a natural slope no greater than 10% to be developed with active recreation components.
- ff. The park shall be connected to the regional trail system and shall be available for use by the general public.
- g. A "shadow plat" shall be submitted with an application for a land division if park land dedication is less than the full 4 acres. The "shadow plat" will indicate where the boundaries of the future park land will be located and serve as an indicator for park dedication in future development applications.
- h. In the South Village of the Park Place area, if a proposed land division does not abut the park or "shadow plat" then the applicant shall pay a fee-in-lieu rather than dedicate land.
- ih. If a proposed land division does abut the park land or the "shadow plat" the applicant shall dedicate the proportionate share of park land.
- j. Not more than ten percent of the park may exceed 15 percent slope. Zero percent of the park shall include a wetland, stream or other protected resource within the Natural Resource Overlay District, except that up to a half of the required vegetated corridor width adjacent to a protected resource specified in OCMC 17.49.110 – Width of vegetated corridor may be included within the park boundary.

G. Open Space Dedication

- 1. An application for a subdivision, partition, replat or design review may propose the dedication and protection of open space areas as part of that process. However, this open space shall not be eligible to count toward the parkland dedication requirements of Subsections B, C, D, E, or F.

2. The types of open space that may be provided are:
 - a. Land within the Natural Resources Overlay District (NROD) including natural areas of undisturbed vegetation, steep slopes, stream corridors, wetlands, wildlife habitat areas, and riparian corridors pursuant to OCMC 17.49. Open space located within the Natural Resources Overlay District shall be maintained pursuant to OCMC 17.49.160 – Standards for land divisions.
 - b. Other “greenways” or linear areas linking residential areas with open space areas. These greenways may include the following features:
 - i. Dedicated bicycle paths or footpaths connecting greenways between residences and recreational areas, streets and activity areas.
 - ii. Tree protection tracts created pursuant to OCMC 17.41.
 - iii. Land located underneath powerline easements that is privately owned and maintained but which provides for public access and use.
 - iv. Public off-street pedestrian and bicycle accessway that comply with the standards in OCMC 16.12.032.
- ~~3. A subdivision, partition, replat, or design review application proposing designation of open space shall include the following information as part of the application:~~
 - ~~a. Designate the boundaries of all open space areas; and~~
 - ~~b. Specify the manner in which the open space shall be owned, maintained, and administered; and~~
 - ~~c. Provide for public access to trails through easements or other approved legal instrument.~~
- ~~4. Dedication of open space may occur concurrently with development of a project. For phased development, the open space may be set aside in totality and/or dedicated in conjunction with the first phase of the development or incrementally set aside and dedicated in proportion to the development occurring in each phase.~~

Explanation:

The open space dedication section is proposed to be removed because open space dedication is not required, unlike parks and trails. Existing NROD code already includes a variety of options for the ownership and maintenance of open space, and existing submittal requirements already exist in OCMC 17.50 – Administration and Procedures. A residential development application could propose open space through other means outside of the NROD, for example, as private HOA open space.

PPCP Key Elements:

6. An extensive system of off-street and on-street trails and pedestrian/bicycle connections.
11. Integration of parks and open spaces into existing and future neighborhoods.

J. Trails Dedication

1. Purpose. The Park Place Concept Plan (PPCP) identifies a substantial, interconnected network of trails corresponding to the open space system, and in some cases parallel to road corridors. Proposed trail locations are consistent with the City’s adopted Trails Master Plan and other local and regional plans, help connect activity centers, and provide alternatives to travel by automobile. The purposes of this section are:
 - a. To achieve an extensive system of off-street and on-street trails and pedestrian/bicycle connections, a key element of the PPCP.

b. To provide standards for the applicability, design, location, connectivity, access, maintenance, dedication, enforcement and integration of trails for residential and non-residential development within the PPCP.

c. To assure that trail dedication requirements are roughly proportional to the impact of the proposed development on the trail system.

d. To promote pedestrian connectivity, enhance recreational opportunities and enhance environmental stewardship within the PPCP.

e. To integrate trail planning with other adopted goals, policies and plans, including the Oregon City Parks and Recreation Master Plan (2008), the Oregon City Trails Master Plan (2004), the Oregon City Transportation System Plan (2013), and the OC2040 Comprehensive Plan (2022).

2. Applicability. Unless specified otherwise below, all developments shall reserve or dedicate land for trails within the development pursuant to the standards of this section, provided that the trail reservation or dedication is roughly proportional to the impact of the development on the trail system.

a. The trails dedication requirements apply to the following development applications:

i. New residential land divisions (partitions and subdivisions) within the PPCP.

b. The trails dedication requirements do not apply to the following situations:

i. Development applications within the NC Neighborhood Commercial zone district of the PPCP. In these cases, a fee-in-lieu of dedication may be proposed.

ii. When a fee-in-lieu of trail dedication is permitted pursuant to section (3)(E) .

iii. When the requirements of this section are adjusted pursuant to the criteria for an adjustment for a master plan or planned unit development pursuant to Chapter 17.65 – Master Plans and Planned Unit Development.

iv. If a variance to these requirements is granted pursuant to the standards in OCMC 17.60 – Variances.

3. Trail Dedication Standards

a. Location

Location of trails within the PPCP shall follow the adopted 2004 trails master plan for L7-Livesay Creek Trail, L5-Park Place Creek Loop, and L2-Holcomb Ridge Trail.

The specific locations of trails may change and is subject to on-site verification and design at the time of development.

b. Length.

The amount of land to be dedicated for trails shall be based on the city's level of service standard in the adopted 2024 Parks Master Plan ~~2004 Trails Master Plan~~ and is estimated at 0.35 miles per 1,000 residents. This equates to 1.8 feet of linear trail per resident.

c. Trail standards:

The slope of the trail over the "from-to" points as determined in the adopted 2004 Oregon City Trails Master Plan for trails L7, L5, and L2 determines if a trail is soft surface or hard surface. If the rise from end to end is over 3%, as defined by the Americans with Disabilities Act, a trail may be a soft surface trail. If the rise from end to end is under 3%, as defined by the Americans with Disabilities Act, a trail shall be a hard surface trail

d. Width.

The minimum width for a soft surface trail shall be five feet. Surface materials shall be 1/4 minus gravel or bark dust.

The minimum width for a hard surface trail shall be ten feet. Surface materials shall be asphalt or concrete.

e. Fee in Lieu of Dedication

If the above standards cannot be met a fee-in-lieu is acceptable. The fee-in-lieu is set in the Parks fee schedule and adopted by resolution shall (in dollars per acre) shall be set by City Commission resolution based on relevant economic indices and the typical market value of developed property (residential lots) in Oregon City net of related development costs. be determined by a licensed, city selected appraiser retained by the applicant, who will value the market rate of the land assuming that zoning and other land use entitlement necessary for trails are in place

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f. Trail dedication may be eligible for SDC credits if more than the proportionate share is dedicated and built pursuant to OCMC 13.20.040. Fee-in-lieu may also be eligible for SDC credits pursuant to OCMC 13.20.040.

g. Trail dedication shall be accompanied by a “shadow plat” or connectivity map to indicate how the trail would connect to off-site trails, trailheads and activity areas shown on the 2004 Oregon City Trails Master Plan when the extent of the trail is outside the development boundary.

h. Connectivity and Accessibility. Trails shall be publicly accessible to all residents, including those with disabilities, and adhere to ADA (Americans with Disabilities Act) guidelines where applicable. Easements for public access shall be required.

i. Maintenance Responsibilities. The applicant shall propose the entity responsible for the ownership and maintenance of dedicated trails (e.g., homeowners association, city or other entity) and outline maintenance standards in the land use application.

M E M O R A N D U M

To: GLUA24-013/LEG-24-01 Park Place Concept Plan Code Amendments
From: Aquilla Hurd-Ravich, Carrie Richter, Pete Walter
RE: Response to development related comments on GLUA24-013/LEG-24-01
Date: October 17, 2024

During the September 23 hearing, the Planning Commission received a number of comments from developers raising concerns that the proposed amendments would discourage or increase the cost of providing housing. The purpose of this memorandum is to respond to those concerns.

Alleys and Garage Orientation Standards

As the Planning Commission is well aware, when it comes to the provision of housing, the City must “adopt and apply only clear and objective standards, conditions and procedures” that “may not have the effect, either in themselves or cumulatively, of discouraging needed housing through unreasonable cost or delay.” ORS 197A.400(1)(b). Developers have argued that dedicating land to alleys rather than to housing and requiring that garages be detached, side entry or rear entry unreasonably increases the cost of providing housing.

As a way to frame this issue, it might be helpful to consider how LUBA discussed “unreasonable cost or delay” provision in the context of a legislative enactment similar to the one proposed here. In *Homebuilders Ass’n of Lane County v. City of Eugene*, the Homebuilders argued that requiring tree root protection areas would reduce development areas and requiring amenities would increase the cost of development. 41 Or LUBA 370 (2002) Although a bit lengthy, it would be helpful for the Planning Commission to see the full scope of LUBA’s thinking:

“ORS 197.307(6)¹ prohibits standards, conditions or procedures for approval that, either in themselves or cumulatively, discourage needed housing ‘through unreasonable cost or delay.’ The statute does not prohibit reasonable cost or delay. In our view, the question of whether approval standards or procedures discourage needed housing through unreasonable cost or delay cannot, in most cases, be resolved in the abstract, in a challenge to a legislative decision that adopts such standards or procedures. In the absence of actual application of standards or procedures in a particular case, it is difficult to see how any party could demonstrate what the delay or

¹ ORS 197.307(6) was renumbered in 2024 and is now ORS 197A.400(1)(b).

additional cost might be, whether that delay or cost is reasonable or unreasonable, and whether that delay or cost discourages needed housing, either alone or in combination with other standards or procedures. Because different sets of standards and procedures will apply to different applications in different areas of the city, demonstrating in the abstract that standards or procedures cumulatively discourage needed housing is rendered even more difficult. These difficulties are apparent in the present case, because the petitions for review make no attempt to demonstrate why any standards or procedures, alone or cumulatively, result in unreasonable cost or delay, much less what those costs or delay might be. While petitioners argue that certain standards or procedures are likely to increase cost or delay, they make no effort to demonstrate that such increased cost or delay is unreasonable, alone or cumulatively. With the possible exception discussed below, we believe it is highly unlikely that such a demonstration can be made or, if made, reviewed in a meaningful manner, except in the context of an ‘as-applied’ challenge.

One exception to the foregoing is a challenge against a standard or procedure on the grounds that the standard or procedure is unreasonable as a matter of law; in other words, the standard or procedure lacks a rational basis. Any cost or delay attributable to a standard or procedure that lacks a rational basis is perforce ‘unreasonable,’ whatever the actual cost or delay that might be incurred in a particular case. Such a facial challenge can be meaningfully addressed and resolved in an appeal of a legislative decision.” (footnote added) 422-423.

As a general rule, a rational basis exists where there the regulation sets forth a legitimate government interest, and there is a rational connection between the regulations means and the identified interests. Applying this rational basis obligation in the above-referenced *Homebuilders* case, LUBA found that requiring the submittal of geotechnical analysis for development on steep slopes where the result of that report is not related to any approval standard was a purposeless requirement that served only to increase costs and cause delay. *Id* at 424.

Unlike the geotechnical analysis at issue in the *Homebuilders* case, the purpose for the alley and the garage regulations in OCMC 17.21 and OCMC 16.12 is intended to deemphasize the impact of automobiles on the street in denser development and foster a safer, more walkable and pedestrian friendly streetscape for the Park Place Concept Plan area. Proposed code section 17.21.010 – Residential Standards – Park Place Concept Plan includes the following purpose statements (E) and (F) below;

E. Enhance the residential streetscape and diminish the prominence of garages and parking areas;

F. Enhance public safety by preventing garages from obscuring main entrances or blocking views of the street from inside residences; and

In October 2006, Angelo Planning Group and SERA Architects facilitated a three-day public forum / design charrette as part of the public process to develop the Park Place Concept Plan. This process, and the resulting plan options that were considered, placed enormous emphasis on achieving walkable neighborhoods when the plan area is fully developed.

The Park Place Concept Plan includes multiple reference in the plan and design typologies in the appendix on alley loaded design for the mixed use, multi-family and higher density housing portions of the plan area, especially in the North and South Village centers and along the future alignment the Holly Lane and Swan Avenue collector level roads.

In particular, the use of alleys as the principal means of access in mixed-use and higher density housing areas can achieve the following objectives:

- Alley load homes are aesthetically pleasing because the garage door is tucked behind the house leaving the front of the home for porches and other design features, such as
 - Additional space for front porches, walking, and interacting with neighbors.
 - More space for landscaping in the front yard.
 - Improved curb appeal.
 - Smaller backyards = less maintenance, a positive for aging residents.
- The front of homes is more street-friendly without a garage and driveway dominating half its square footage. The front entry also offers a more welcoming appearance and quicker access to sidewalks.
- Alley design makes it easier for trash and recycling pickups. Everyone places bins at the foot of their alley driveways, allowing sanitation crews to service two streets' worth of homes at the same time.
- There's more room up front for attractive landscaping and closer proximity to conversations with neighborly passersby.
- The front-porch lifestyle is safer for kids to play in — often on a small lawn behind a small fence.
- Vehicles don't block the front of the house or neighborhood sidewalks, and open garages don't reveal all the necessary but often-unattractive stuff that most of us store in that space.
- Alley load homes are also ideal when building on a narrow or corner lot.
- Detached garages on alleys offer an opportunity for an accessory dwelling unit built on top of the garage (Examples in Oregon City exist in the Glen Oak Meadows subdivision.
- Alley loaded design preserves on-street parking space for guests and visitors because there is no need for driveway cuts.

- Fewer driveway cuts provides more planting area for street trees, enhancing the tree canopy over the street, and provides shade and a green separation from the street for pedestrians and kids playing on the sidewalk.
- Alley design is necessary to reduce driveway cuts onto higher volume residential collector roads (e.g. the future Holly Lane and Swan Avenue extensions) allowing safer traffic flow and fewer turning movements into and out of driveways onto these streets.

All of these justifications far exceed the minimum rational basis required to justify the City retaining the alley and garage orientation standards should it elect to do so.

There is a secondary reason why ORS 197A.400 increased costs concerns are not implicated in this case. ORS 197A.400 applies when a local government “amends” its regulations. The obligation to provide alleys in Park Place and Thimble Creek plan areas as set forth in OCMC 16.12.026 was codified in 2019 and is not subject to change as part of this code update. Since no amendment to OCMC 16.12.026 is proposed, the City has no legal obligation to revisit whether the alley obligation should be removed, although it could certainly make that choice as a matter of policy.

Where lot orientation and driveway access amendments are proposed, the City is being more permissive by adding clear criteria for modification of the alley requirement through the Type II process within the geologic hazard and natural resources overlay districts and for the transition areas at the edge of the plan area where the rear yards of new development will abut existing rear yards outside the plan area. To the extent that providing alleys does increase the cost of development, removing the obligation to provide alley-serving development on the edges will reduce those costs and making the alley modification procedure a Type II review will simplify the review process.

Finally, at the last hearing, Commissioner Schlagenhauser asked about whether the alley and garage location limitations are eligible for a mandatory adjustment under SB 1537. This recently adopted law identifies particular development and design standards that must be waived upon request. The obligation to provide alleys for off-street parking and loading access or garage orientation are not specifically identified within those lists. Rather, what might be seen as closely related are:

“(e) Garage door orientation, unless the building is adjacent to or across from a school or public park.”

Typically, garage door orientation has to do with whether the door swings inward, outward or upward. This is to be contrasted with garage orientation or driveway access location that would be served by alleys. With respect to garage orientation or driveway access, there is a mandatory adjustment listing for housing other than single family. More specifically, it provides:

“(h) For manufactured dwelling parks, middle housing as defined in ORS 197A.420, multifamily housing and mixed-use residential:

(A) Building orientation requirements, not including transit street orientation requirements.”

The term “building orientation” likely includes garages so for middle and multifamily housing, to the extent that off-street garage buildings were proposed as part of a middle, multi-family or mixed-use project, their orientation would be subject to mandatory adjustment.

The expressed legislative intent to allow adjustments for orientation obligations for particular housing types that makes no mention of single-family residential orientation obligations suggests a clear intent to allow local governments to continue to require alleys served by rear, side or separate freestanding garages without requiring any adjustment.

Housing Diversity Obligations

This section responds to comments regarding proposed OCMC 17.21.105- housing diversity standards which are characterized as too prescriptive. The comment states that not only are the standards too prescriptive, but the City doesn’t have the authority to require a certain amount of middle housing under ORS 197A.400. The comments go on to state that units should not have to be shown on tentative or final plats because it could make some lots less marketable and finally the comments state that a requirement of three middle housing lots will result in an odd number of units which is not conducive to townhouse development.

The housing diversity standard is the result of key element #5 in the Park Place concept plan which envisioned ***a mix of housing types and ranges of affordability***. The Planning Commission was presented with several options to implement this element. After considering the options the Planning Commission concluded that lot averaging, as suggested in the concept plan, was problematic and previously had proved to be onerous and resulted in odd sized lots. The Planning Commission was also concerned with the long term impacts of trying to enforce an affordable housing provision. Ultimately, they agreed that requiring a certain amount of middle housing units or lots would accomplish the goal of creating a mix of housing types and a range of affordability, which is a Goal of the OC2040 Comprehensive Plan as well as the Park Place Concept Plan.

Regarding City authority, ORS197A.400(4) allows cities to impose special conditions upon approval of a specific development proposal if the special condition conforms to clear and objective standards and it states:

“(4) Subject to subsection (1)² of this section, this section does not infringe on a local government’s prerogative to:

(a) Set approval standards under which a particular housing type is permitted outright;

(b) Impose special conditions upon approval of a specific development proposal; or

(c) Establish approval procedures.” (Footnote added).

Nothing in the language of ORS197A expressly prohibits local governments from requiring that middle housing be included as part of a residential subdivision so long as it is accomplished through the application of clear and objective standards.

The second concern raised is that requiring middle housing attached to lots within the recorded plat is challenging because not all developers build the homes on the lots they plat. Staff concurs that developers do not always build the units on the lots they develop and may sell those lots to other builders. This was the case in the Serres Farm subdivision in which duplexes were required on a certain number of lots that were subsequently sold to a different developer who will build the duplex units. Requiring lots to be identified at time of subdivision is the mechanism needed by the City to ensure a certain amount of middle housing lots will be developed with middle housing units. Furthermore, staff evaluated several municipalities that already have or will be adopting codes with clear and objective requirements for a diversity of housing types. These include the Cities of Salem, Bend, Wilsonville, and Tigard. Planners at the cities we reached out to affirmed that they feel secure that they have the legal authority to require housing mix that includes mandatory middle housing and that lots suitable to accommodate middle housing are reflected on the plat.

Finally, regarding concern over proposed middle housing mix “would preclude longer townhouse blocks because it is very difficult to construct an odd number of abutting townhomes”. Staff is adding the word “original” to make clear that the plat should identify original lots restricted to middle housing. Three original lots can still result in an even number of middle housing units because there can be up to four townhomes on each of the three middle housing lots, thereby creating 12 middle housing units – an even number.

Parks and Trails Land Dedication and Fee-in Lieu

² Subsection (1) refers to the obligation to apply only clear and objective standards.

As currently proposed, the code amendments require land to be dedicated to the City for parks and trails or a fee paid in-lieu of land dedication. These obligations will apply to all residential subdivisions, partitions, multi-family, as well as non-residential uses in commercial zones within Park Place. The amount of the land, or the fee-in-lieu, is based on consideration of the level of service standard set forth in the Parks Master Plan along with the park land need set forth in the Park Place Concept Plan. Recently adopted, the Parks Master Plan calls for a combined neighborhood / community park level of service 5 acres per 1000 people for neighborhood and community parks. P 69. The Park Place Concept Plan calls for the provision of one 3-5 acre neighborhood park and one 8-10 acre community park. P 30.

Without knowing the exact number of dwelling units that will be developed within Park Place, it would be reasonable to rely on the Park Place Concept Plan projection of 1459 total residential units as providing some rough estimate. P 2. As the attached chart shows, development at this estimated density would result in a level of service of 2.9 acres to 3.4 acres of neighborhood / community parks per 1000 residents. Rather than assume these lower service standards, staff has recommended 4 acres of land dedication per thousand, as it will move the area more closely in line with the current Parks Master Plan projection of 5 units per acre and will still generate park land acreage that will satisfy the Park Place Concept Plan at a minimum. These calculations are sufficient to show that the land dedication and fee in lieu obligations are directly proportional to the land needed to serve future Park Place residents.

Opponents have also objected to the land dedication / fee in lieu provisions arguing that by also requiring the payment of system development charges, the City will be recovering twice for the same land acquisition costs. This claim of double-dipping represents a misunderstanding of the current Parks SDC assessment within the City which does not include assessment for land within Park Place. The City's currently Parks SDC methodology was adopted in 2000, long before the land included in Park Place was planned for development. Subsequent amendments to the capital improvement plans for parks allowed for increasing the parks SDC for new development but none of those increases included Park Place park land acquisition costs. Rather, the first capital improvement plan that identifies land costs associated with the construction of parks identified within the Park Place Concept Plan was adopted by the City Commission in early 2024. The City has yet to revised its parks SDC to implement this new plan. Therefore, when a developer pays the current parks SDC assessment, those funds cannot be used for the acquisition of Park Place parkland and there is no double recovery for the same land. If, the City Commission does change the parks SDC to include land acquisition costs in Park Place, then an applicant will be eligible for parks SDC credits to eliminate the land costs imposed through the SDC charge.



MEMORANDUM

To: City and Planning Commissioners
From: Aquilla Hurd-Ravich, Community Development Director
Pete Walter, Planning Manager
RE: Park Place Concept Plan Key Elements Integrating Clear and Objective Standards into Oregon City Municipal Code
Date: May 7th, 2024; Updated June 24, 2024 with PC revisions

This memo was originally presented to the City Commission in May and the Planning Commission in June. At the June 10th meeting the Planning Commission provided comments and recommendations on this document. Those comments are shown in red underline.

The purpose of this memo is to identify and describe sections of the Oregon City Municipal Code that need revisions in order to refine and implement key elements from the Park Place Concept Plan (PPCP).

The 2008 Park Place Concept Plan identified 11 key elements:

1. Two primary north-south connections between Holcomb Boulevard and Redland Road (Swan Avenue and Holly Lane)
2. Two distinct mixed-use neighborhoods (North Village and South Village) that accommodate 1,459 new dwelling units
3. Neighborhood-oriented commercial nodes that integrate commercial land uses, residential land use, and public open space.
4. An area for a new civic institution, such as a library or community center
5. A mix of housing types and ranges of affordability
6. An extensive system of off-street and on-street trails and pedestrian/bicycle connections
7. Innovative, “green” on-site stormwater treatment methods
8. Protected sensitive areas, including drainages and steep slopes
9. Streets and buildings oriented for solar access
10. The use of green edges to define neighborhoods and buffer developments
11. Integration of parks and open spaces into existing and future neighborhoods
(PPCP p21)



Background

When the PPCP was adopted in 2008, the Oregon City Municipal Code (OCMC) was amended to implement the concept plan. The Park Place Concept Plan was implemented through Legislative File 08-01 which updated, revised, and added new code sections to OCMC. Land in the North Village which has annexed to the City has a zoning designation of Neighborhood Commercial (NC) and R-5 (Medium Density Residential). OCMC 17.10 was amended to add R-5 in 2008 to allow for a diversity of housing types. The existing Neighborhood Commercial zone was refined to increase the number of permitted uses, restrict the size of stand-alone commercial buildings, and allow live-work units. Multi-family is allowed in Neighborhood Commercial, but it cannot be more than 50% of the building square footage on-site.

Key Elements and Corresponding Code Sections and Explanation

1. Two primary north-south connections between Holcomb Boulevard and Redland Road (Swan Avenue and Holly Lane)

How was this implemented?

The extensions of Holly Lane and Swan Avenue are adopted in the 2013 Transportation System Plan (TSP). Holly Lane is adopted as Planned Minor Arterial and Swan Avenue is shown as a Planned Collector. Minor Arterial Roadways are intended to serve local traffic traveling to and from major arterial roadways. This classification provides greater accessibility to neighborhoods, often connecting to major activity generators and provide efficient through movement for local traffic. A Collector Roadway connects neighborhoods to minor arterial roadways.

Holly Lane is an adopted TSP project that connects Redland Rd to Holcomb Blvd. It is identified as project #D48 Holly Lane North Extension and described as a residential minor arterial with newly created street connections to Cattle Drive and Journey Drive. The funding priority is listed as “Long-term”. Swan Avenue extension is also an adopted TSP project connecting Livesay Rd to Redland Rd and Redland to Morton Rd. These projects are identified as #D49 and #D50 and described as residential collectors. The funding priority is also “Long-term”.

Long-term projects are those that are “likely to be implemented beyond 10 years from the adoption of [the TSP]. These projects are important for the development of the transportation network, but unlikely to be funded in the next 10 years [2023]”. (TSP p63 Volume II 2 of 2)



Development can pay for a portion of these extensions where a rational nexus exists and in rough proportionality to the impact of development. Chapter 16.12 Minimum Public Improvements and Design Standards and specifically sections 16.12.010 and 16.12.011 would apply to any development paying for portions of or all of these road extensions.

OCMC Chapter 16.12.015 requires development to “provide any necessary dedications, easements or agreements as identified in the transportation system plan, trails master plan, and/or parks and recreation master plan and this chapter, subject to constitutional limitations.” These limitations refer to established case law requiring rough proportionality and a rational nexus when requiring development to provide public improvements.

Known issues with this element: All of Swan Lane and most of Holly Lane are outside of City limits and connect to roads in Clackamas County’s jurisdiction. Clackamas County does not have these projects in their TSP and also does not have planned improvements on Redland Road that could handle additional trips. The County has not indicated if these projects will be considered in the next TSP Update.

Options:

1. No further action because the two connecting roads are adopted in the Oregon City TSP and will be constructed as development occurs.
2. When the TSP and CIP are updated in the next two years, reprioritize these important connections to be a short-term priority. Potentially invest SDC funding in the projects D48, D49, and D50.
3. Establish and codify a maximum number of trips that trigger construction of the full extent of roads and public improvements even when it is outside of the development area. If this option is considered, the trigger should be limited to the Park Place Concept Plan Area.

Planning Commission comments:

- Commission consensus was to pursue option #2 and reprioritize the two projects from long-term to short-term. There was also discussion about participating in the County’s Transportation System Plan in order to have these projects reflected in their plan. There was discussion about investigating a Zone of Benefit or a Local Improvement District to help fund these roads. Feedback also included



looking to the Urban Growth Management Area agreement as a tool for how to plan and fund roads at the edges of the urban/rural interface.

2. Two distinct mixed-use neighborhoods (North Village and South Village) that accommodate 1,459 new dwelling units.

How was this implemented?

The portion of the North Village that is annexed (92 acres) is zoned R-10 Low Density residential, R-5 Medium Density residential and NC- Neighborhood Commercial. The portions that have not been annexed have comprehensive plan designations of low and medium density residential and mixed-use corridor. As land annexes to the City a zoning district will be assigned. The concept plan recommended a range of densities in order to provide attractive and affordable housing for a variety of incomes and household types. It recommended adopting a new medium-density zone R-5 and modifications to design standards for attached single-family housing and multi-family housing. These actions were adopted in 2008 through Legislative File 08-01.

The intent of this element is captured in OCMC 17.10 Medium Density, and 17.24 Neighborhood Commercial. The intent of each element is captured in current zoning code Chapter 17. The mix of densities envisioned in the north and south villages can be achieved through the low, medium, neighborhood commercial zones.

Proposed Code Revisions:

1. Revisions are proposed to 17.10 (R-5, R-3.5) for clear and objective standards
 - a. Previously multi-family residential was allowed in the R-3.5 zone through a Master Plan review in 17.65. Chapter 17.65 Master Plan is highly discretionary and the remedy to make clear and objective is to allow multi-family residential as a permitted use subject to site plan and design review standards in 17.62.
 - b. Additional revisions will implement clear and objective standards to implement a range of housing types while respecting existing residential development outside the Concept Plan Area.
2. Revisions are proposed to 17.20 Neighborhood Commercial to implement the concept plan as well as create clear and objective standards.

Notes:



1. After conversations with Metro staff, we found that it is not necessary to meet the very precise number of units identified in the PPCP. Rather it is important to maintain the residential capacity allowed in the R-5 zone and retain the adopted minimum density.

3. *Neighborhood-oriented commercial nodes that integrate commercial land uses, residential land uses, and public open space.*

How was this implemented?

Neighborhood Commercial zoning is codified through 17.24 and the comprehensive plan has identified two areas of Mixed-Use Corridor in the Concept Plan where NC will be applied when annexed to the City. NC uses include commercial, residential, and parks. Additionally, there is a maximum allowable residential use of 50% of square footage on any one site which ensures that residential uses cannot be the predominant building type in the NC area.

The uses envisioned to make up the Livesay Main Street, small scale commercial businesses, a civic building, and a park or *Village Green*, in the North Village are permitted uses in Neighborhood Commercial. The South Village also envisioned a small Neighborhood Commercial node with a park. Main street design standards are codified in 17.62.055 as described in the original Park Place land use implementation appendix. Including store front windows, street-level entrances, streetscape elements such as weather protection and street trees, and restrictions on mid-block driveways to ensure an attractive, walkable environment.

In March 2024, staff requested a market analysis of the Neighborhood Commercial area in the North Village from the firm Johnson Economics. The analysis indicates this area is “expected to be limited to tenants serving the local community, largely residents south of Holcomb and north Redland roads.” The analysis goes on to estimate that commercial demand “will need a substantive amount of planned residential development to be completed, as well as the Holly Road connection between Holcomb and Redlands before commercial development is viewed as viable at the site.” See analysis from Jerry Johnson of Johnson Economics with further details about what type of commercial uses might locate in the area.

Proposed Code Revisions:

1. Revisions are proposed to 17.24.060 Neighborhood Commercial to include additional standards for the Park Place Concept Plan area.
 - a. Residential uses are limited to no more than 50% of the total building square footage. Additional standards for landscaping, setbacks, residential uses, and parking are included. Building entrances and architectural standards are proposed to create and urban design aesthetic that supports a main street type development. Features



such as locating entrances near the corner of a building and incorporating elements such as height or massing, cupolas, turrets, or pitched roofs. Proposed requirement to cut the corner of a building and include weather protection, special paving materials, street furnishing, plantings. Architectural features such as increased windows and glazing and canopies and overhangs are intended to create visual interest at the street level. Proposed code also includes specificity about materials, streetscape trees, lighting, seating, signage, and awnings.

Options:

1. Does the City want to consider constructing a civic “anchor” to fulfill the vision of the Concept Plan and attract other commercial activity?
2. Should the City consider prohibiting or limiting certain uses that take up the NC land? For example storm water facilities or other utilities?

Planning Commission comments:

- There was some discussion about eliminating the zone altogether but ultimately there was not consensus for that idea. There was discussion about what amount of residential should be allowed in the Neighborhood Commercial zone. The current code limits residential uses to 50% of the building square footage. Some feedback suggested eliminating the limit and letting it become all residential should the market dictate. Other thoughts were to allow flexibility in the amount of residential that is allowed in order for developers to be incentivized to develop mixed use.

4. *An area for a new civic institution, such as a library or community center*

How was this implemented?

OCMC 17.24 Neighborhood Commercial allows civic institutions with a square footage limit of 10,000 square feet any one building unless the use is a grocery store.

Proposed Code Revisions:

1. Revisions are proposed to 17.24.060 Neighborhood Commercial to include additional standards for the Park Place Concept Plan area.
 - a. Permitted uses identify potential Civic Uses such as public, private, non-profit organizations that run museums, art galleries, indoor and outdoor music theater and venues, child care facilities, health and fitness clubs, clubs and lodges, mobile food units, and outdoor markets.

Options:

1. Does the City want to consider constructing a civic space that could act as an “anchor” for commercial activity?



5. A mix of housing types and ranges of affordability

How was this implement?

Adopted zones in the Low Density and Medium Density allow for a range of lot sizes and types of housing. The Residential Standards for the Park Place Concept Area (OCMC 17.21) apply design types for residential development. The purpose of OCMC 17.21 is to ensure new residential development implements the goals and policies of the Park Place Concept Plan, promote high quality residential development and construction, protect property values, encourage visual variety and architectural compatibility; ensure diversity of housing types and promote an integrated character in the Park Place Concept Plan Area.

The PPCP noted that “while the Park Place Concept Plan allows for opportunities to meet affordable housing needs without subsidy, the reality of the housing market in Oregon City and the Portland Metro Region is that some subsidy by public agencies and non-profit organizations will be required to achieve affordable housing goals for this area.” (PPCP p61) To date, the City has not implemented any affordable housing subsidy therefore we are reliant on non-profits and other governmental subsidy programs to create affordable housing. Since the adoption of the PPC, middle housing standards were adopted which could bring additional housing diversity to the area.

Proposed Code Revisions:

1. Revisions are proposed to 17.10 (R-5, R-3.5) for clear and objective standards
 - a. Section 17.10.050(B)(5) is proposed to allow an affordable housing density bonus through clear and objective standards. This proposed revision supports the PPCP aspiration to encourage production of affordable housing.
 - b. Section 17.21.105 Housing Diversity Requirements is proposed to a percentage of proposed total housing as middle housing depending on the size of the subdivision.

Options:

1. The PPCP suggest allowing average density calculations for subdivisions over 25 units to promote a variety of lot sizes (PPCP p62). However lot averaging was in the code but subsequently removed due to the unworkable overburdensome nature of the allowance.
 - a. Is this something the Commission would like to re-consider at this time?
2. Consider density bonuses for developers who provide affordable housing units. (PPCP p63)
 - a. If this is a concept the Commission is interested in, staff will develop options for the Commission to consider.



Planning Commission Comments

- Planning Commissioners did not want to reconsider lot averaging and agreed that it should remain out of the code.
- Several Commissioners were concerned with how affordable housing would remain affordable and how would that provision be enforced.

6. *An extensive system of off-street and on-street trails and pedestrian/bicycle connections*

How this was implemented/Actions:

Park Place Concept Plan trails were adopted in the Oregon City Conceptual Trails Map. TSP Figure 8 Multi-Modal Street System shows the on-street trails and pedestrian and bicycle connections. In the 2013 TSP Figure 5 Multi-modal Connectivity Plan does not include off-street trails. OCMC 16.12.016 identifies sidewalks and bike lanes for Minor Arterials and Collector Road classifications.

The concept plan envisioned a network of off-street and on-street trails and pedestrian/ bicycle connections. These systems are illustrated in Figures 3-8 and 3-9 of the PPCP. The on-street system of pedestrian/ bicycle connections is clearly identified and adopted through the road classification system in the TSP and OCMC 16.120.016. The on-street network follows the main transportation connections identified in the plan Holly Lane, Swan Lane and Livesay Rd. Holly Lane from Redland to Holcomb is identified as a planned Minor Arterial which does include sidewalks and bicycle lanes. Swan Lane from Livesay to Morton is identified as a planned Collector which also includes sidewalks and bicycle lanes. The off-street trails were identified in the Oregon City Trails Master Plan adopted in 2004 but are not reflected in the 2013 TSP. This would be an area for improvement and should be included during the next TSP update.

A portion of L2 Holcomb Ridge Loop Trail is within the PPCP area and shown on adopted Oregon City Trails Master Plan. Additionally, L5 Park Place Creek Loop trail is within the area and is intended to stretch between Redland Rd and the Park Place Development. L6 Park Place Development trail system encompasses the off street trails identified in Figure 3-8.

Options:

1. Update the TSP with off-street trails identified in the Concept Plan. This action could take place during the next TSP update. If City Commission desires to see this update sooner than the next TSP update, staff will need to hire consultants who can perform a cost analysis for the trails that can be included with the TSP update.



2. Update code standards to require proportional dedication of land for trails at the time of subdivision or site plan review.
3. Acknowledge that the specific locations of off-street trails, and the ownership and maintenance requirements for these trails, is typically determined during site specific development plan review.

Planning Commission Comments

- A Planning Commissioner recommended going with option 3.

7. Innovative, “green” on-site stormwater treatment methods

How this was implemented?

The Park Place Concept Plan was developed in a manner that minimizes impacts to the existing hydrological conditions of the study area. Moreover, the stormwater concept plan and recommendations seek to utilize existing natural drainage features and low-impact development best practices to mimic existing hydrologic functions.

Chapter 13 of the OCMC addresses public utilities and services including water, sewer, and stormwater. These chapters are applicable during site plan and design review but are not listed as applicable chapters to address during general development or detailed development land use review. Updates to Chapter 17.65.050 and 17.65.060 are needed to include references to these chapters and specifically chapter 13.12 Stormwater management.

Since the adoption of the Concept Plan, stormwater management standards were adopted and went into effect in 2015 as well as the Stormwater and Grading Design Standards which emphasize low-impact development (LID) practices. Stormwater LID techniques approved for use in Oregon City mimic natural drainage systems by keeping rainwater close to where it falls and attenuate stormwater runoff.

Stormwater is addressed in section 13.12.020 of the OCMC:

- OCMC 13.12.020 allows the City Commission to adopt the Stormwater and Grading Design Standards, which have been adopted in 2015 and an update in 2019/2020.

Stormwater and Grading Design standards prescribes a Stormwater Management Strategy that development must address. “Given suitable site and soil conditions, the City requires that the stormwater management strategy prioritize infiltration of stormwater runoff to recharge groundwater mimic pre-development hydrologic conditions” (p38 Stormwater and Grading Design



Standards). The City's stormwater Management Hierarchy closely matches the desired stormwater management in the PPCP.

Level 1- Onsite retention of the 10-year design storm using LID for infiltration

Level 2- Onsite stormwater management using LID to meet water quality and flow control standards

Level 3- Offsite or Regional Facilities

Level 4- Fee in Lieu

The PPCP identified the desire for Green Streets which integrate the management of stormwater into street design itself that would provide a stormwater management benefit as well as an urban design element. Green streets typically take the form of vegetated swales along the street with curb cuts to allow street runoff to enter. However, this type of stormwater management may not be appropriate for the PPCP area due to topography and soil type. The slope of Holly Lane is anticipated to be 15% which is comparable to Pearl Street within the City. It will be very steep. Stormwater planters require a design that is not conducive to steep slopes. While stormwater planters are the modern version of stormwater swales, infiltration may not be the best or wisest solution to stormwater management due to the existing geologic hazards and natural resources in the area.

8. *Protect sensitive areas, including drainage and steep slopes*

How this was implemented?

Three chapters in OCMC have been adopted and apply to the PPCP area including Natural Resource Overlay District (OCMC 17.49), Geologic Hazards (OCMC 17.44), and the Flood Management Overlay District (OCMC 17.42). The Concept Plan suggested adding definitions for landslide materials, landslide areas, unstable slopes, unstable soils and debris fans based on certain studies included in the Concept Plan. These studies are referenced in Chapter 44 specifically in 17.44.050(A)(1)(a-h). (PPCP p58) OCMC 17.44.050 requires these resources to be used as part of a geologic assessment.

9. *Streets and buildings oriented for solar access*

One of the principles in the Park Place Concept Plan is to design for solar access. "Maximizing solar access provides better daylight and ventilation, opportunities for using renewable energy systems (i.e. solar power) and improves the energy-efficiency of buildings." (PPCP p 23)



The Park Place Concept Plan appendices suggested code to address this element. At the time of concept plan drafting, a code section existed for residential building solar access OCMC 17.54.070 but it has since been removed. The solar access code was removed due to the difficult nature of implementation. If there is a desire to add the language back into the code the Concept Plan appendix provides some sample language.

Language from the Appendix p222:

“Supplemental zoning regulations in the City’s existing code (OCMC Section 17.54.070) already establish solar access standards (maximum shade point heights and maximum shade height on solar features) for single family residential development. In order to maximize passive solar heating of homes proposed as part of a PUD or subdivision and to reinforce the street layout proposed for Park Place, it is recommended that solar orientation standards be added to this existing set of solar regulations.

The following is sample solar orientation regulation language from the Oregon Department of Energy and Boulder, Colorado. These criteria would need some revisions to be clear and objective and fit Oregon City’s Municipal Code

Siting Requirements:

All planned unit developments and subdivisions shall be designed and constructed in compliance with the following solar siting requirements:

A. All new residential units shall have a roof surface that meets all of the following criteria:

- i. Is oriented within 30 degrees of a true east-west direction;
- ii. Is flat or not sloped towards true north; 100 square feet of un-shaded solar collectors for each individual dwelling unit in the building; and
- iii. Has unimpeded solar access consistent with the requirements of Section 8.0370.2 or through easements, covenants, or other private agreements among affected landowners that the city manager finds are adequate to protect continued solar access for such roof surface.”

New code sections are needed to implement streets oriented for solar access in chapter 16.12 Land Divisions and Public Improvements. The concept plan appendix suggested the following language on p223:

b. Street Orientation Requirement:



New residential streets in planned unit developments and subdivisions, shall be predominantly oriented within thirty degrees of true east-west in order to maximize the number of homes with the major walls and windows facing south.

Options:

1. Consider adding back into the code for Master Plan/ Planned Unit Developments code requirements for solar access.

Planning Commission Comments

- Planning Commissioners discussed that this requirement would not make sense given the topography and need to design around the topography in this area.

10. The use of green edges to define neighborhoods and buffer developments

How this was implemented?

The Concept Plan envisioned green edges as areas consisting of sensitive habitat and drainage areas that frame pockets of development. The Concept Plan states that this open space “can be realized through local regulation, sensitive development practices, and through public acquisition. From Chapter 4 of the Concept Plan, a policy identified conserving and protecting natural areas, including environmentally constrained areas unsuitable for development.” The PPCP identifies areas with slopes of 25% or more as open space that will remain undeveloped. P56

This element is implemented by recognizing the Natural Resource Overlay District and Geologic Hazards Overlay District within the Concept Plan area. Density transfers have been codified for the NROD to allow these areas to remain open. See p240 of the PPCP Appendices.

Proposed Code Revisions:

1. Revisions are proposed to 17.10 (R-5, R-3.5) for clear and objective standards
 - a. Section 17.10.080 Additional Standards for Park Place Concept Plan are proposed to provide a transition area and buffer new development from existing development. Proposed code may requires a transition area contain a combination of landscaping and screening. Lot sizes are also



required to maintain a minimum area in order to provide enough room for a landscaped transition area.

Options:

1. Consider amending chapter 17.44.060 (H) to add language that prohibits development on slopes greater than 25% to implement the open space concept in the Concept Plan. This will shift and concentrate density and could prohibit transportation connections. If the Commission directs staff to consider this amendment, an analysis will be needed to determine if any constitutional takings could result from such a revision.

11. Parks and Open Space

How this was implemented?

The Concept plan identified the need for two neighborhood parks, one in the North Village and one in the South Village. The North Village park land need is 8-10 acres and within walking distance of Livesay Main Street. The South Village park is 3-5 acres and surrounded by medium/high density residential.

Proposed Code Revisions:

1. Revisions are proposed to 17.62.059 to add a new section of code requiring dedication of public park, trail, and open space requirements in Park Place Concept Plan area. Similar revisions are proposed for OCMC 16.08.040 that would require dedication at time of a land division.

Public Comments and Issue Summary Matrix for Legislative File: GLUA 24-013 / LEG-24-01 – Park Place Concept Plan Code Amendments

Commenter Date	Testimony Format	Issue / Comment / Concern	Staff Comment	Has this been Addressed? How?
Harlan Borow 12/04/24 CC	Verbal	See prior written and verbal comments regarding alley requirements and garage orientation, etc.	Based upon further analysis, staff recommends removing the alley requirement, except where necessary for traffic safety abutting collector or arterial roads and across from a public park	The latest revisions address the concerns.
Kelly Poindexter 10/28/2024	Verbal	Trailview neighborhood egress, new concept would add new traffic, safety concerns	Comments don't address code amendments. This is not a development application.	TBD at time of development application review
Tyler Gill 10/28/2024	Verbal	Concerns about new development.	Comments don't address code amendments. This is not a development application.	TBD at time of development application review
Megan Keough 10/28/2024	Verbal	Concerns about new development.	Comments don't address code amendments. This is not a development application.	TBD at time of development application review
Tom Geil 10/28/2024	Verbal / letter	Traffic safety and congestion, evacuation concerns	Comments don't address code amendments	TBD at time of development application review
Jane Nitschke 10/28/2024	Verbal	Concerns about new development, traffic	Comments don't address code amendments	TBD at time of development application review
Joyce Carlson 10/28/2024	Verbal	Concerns about new development.	Comments don't address code amendments	TBD at time of development application review
Mike Mueller 10/28/2024	Comment via website	Applicability of code amendments citywide	The code amendments are specific to the PPCP area	Yes
Christine Kosinski 10/28/2024	Verbal / letter	Traffic, landslides, wildfire, evacuations	Comments don't address code amendments	TBD at time of development application review
Bradley King 10/28/2024	Verbal	Understand concerns but some property owners want development	Comments don't address code amendments	TBD at time of development application review
Harlan Borow 10/28/2024	Verbal / letter	Residential standards, alleys, garages, park and trail standards	See recommended findings and Staff memo	Yes

Public Comments and Issue Summary Matrix for Legislative File: GLUA 24-013 / LEG-24-01 – Park Place Concept Plan Code Amendments

Commenter Date	Testimony Format	Issue / Comment / Concern	Staff Comment	Has this been Addressed? How?
Samantha Wolf 10/28/2024	Comment via website	Preservation of wetland habitat, mature trees, need additional code amendments to preserve important ecosystems, 30-33% canopy cover is recommended	Code amendments to existing tree and habitat regulations are not focus of amendment.	Yes, see OCMC 12.08, 17.41, 17.49.
Harlan Borow ICON 10/21/2024	Letter	Additional comment letter summarizing and expanding on prior comments about the proposed amendments, including: • Needed housing • Alleys (16.12.026) • Garage orientation standards (17.21.090) • Two-Car Garages • Parkland Trail Dedication The letter references and includes the prior comments from Garrett Stephenson of Schwabe, and Jennifer Arnold of Emerio Design from 9/23/2024.	See Staff Memorandum “Response to development related comments on GLUA24- 013/LEG-24-01”	See Staff Memorandum “Response to development related comments on GLUA24-013/LEG-24-01”

Public Comments and Issue Summary Matrix for Legislative File: GLUA 24-013 / LEG-24-01 – Park Place Concept Plan Code Amendments

Commenter Date	Testimony Format	Issue / Comment / Concern	Staff Comment	Has this been Addressed? How?
Lee G. McCarty 9/28/2024	Letter/Verbal	Incongruity of Zoning Designations Fire Safety and Egress Concerns Population Density and Quality of Life Request for Action: • Re-Evaluation of Zoning Density • Fire Safety and Egress Study • Infrastructure Feasibility Assessment • Community Impact Study	This proposal is not intended to change existing zoning designations. City zoning within city limits / Urban Growth Boundary (UGB) is required to allow for higher densities than County zoning per Oregon and Metro land use planning requirements. City zoning is the basis of efficient use of finite urban land resources and to preserve lower density resource land from residential sprawl outside of city limits and UGBs. The future Holly Lane North Extension, adopted in the TSP (Project D48), is identified as a Residential Minor Arterial road to serve the North Village area of the PPCP and will provide an additional point of egress in the event of emergencies that require evacuation.	Yes. The items listed in the comment letter under “Request for Action” were already done through the adoption of the Park Place Concept Plan. See https://www.orcity.org/674/Park-Place-Concept-Plan. Adequacy of public infrastructure is further evaluated at the time of review of new development by City and County public works staff, emergency service providers and agencies for compliance with applicable development standards.

Public Comments and Issue Summary Matrix for Legislative File: GLUA 24-013 / LEG-24-01 – Park Place Concept Plan Code Amendments

Commenter Date	Testimony Format	Issue / Comment / Concern	Staff Comment	Has this been Addressed? How?
Tom Geil 9/23/2024	Verbal	- Complaint about the order of the items of the Planning Commission agenda limiting public testimony. - Concerned about wildfire evacuation. - Threatened legal action against the city if evacuations resulted in loss of life - Made several statements about a housing developer.	Did not address any specific code amendments or criteria.	Planning Commission continued the public hearing to Oct. 28, affording additional opportunities for public comment. There will also be at least two public hearings with the City Commission. See prior entries responding to egress concerns and needed road connections. Residents can sign up for emergency alerts including evacuation maps and orders at https://www.clackamas.us/dm/publicalerts
Preston Korst, Homebuilders Association of Greater Portland 9/23/2024	Letter	- Requested continuation to allow HBA to fully review impact of standards - Park and trail dedication standards are “disproportionate”. - Parkland dedication requirements will increase cost of housing - Design standards will increase cost of housing	See Staff Memorandum “Response to development related comments on GLUA24-013/LEG-24-01”	See Staff Memorandum “Response to development related comments on GLUA24-013/LEG-24-01”

Public Comments and Issue Summary Matrix for Legislative File: GLUA 24-013 / LEG-24-01 – Park Place Concept Plan Code Amendments

Garrett Stephenson, Attorney for ICON 9/23/2024	Letter / Verbal, w/ attachments	• The Amendments must ensure that a General Development Plan is not required for development within the PPCP area, citing ORS 197A.400. • The Planning Commission should modify certain proposed design standards to ensure that the homes in the PPCP area will be marketable. • 16.12.026—Alleys should not be required. • 17.21.090—The garage orientation and location limitations should be removed. • 17.14.030.C—the maximum 50% of the façade that may be garage should be increased to 60%. • 17.14.030.B—The maximum 12-foot garage limitation for townhomes should be eliminated. This greatly reduces marketability and likely restricts accessibility for handicapped citizens as there is no room for wheelchair access, resulting in reduced access to more affordable housing options. • 17.21.105—The housing diversity standards are too prescriptive. • Design standards for the NC zone would likely increase costs and make actual establishment	See Staff Memorandum “Response to development related comments on GLUA24-013/LEG-24-01”	See Staff Memorandum “Response to development related comments on GLUA24-013/LEG-24-01”
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Public Comments and Issue Summary Matrix for Legislative File: GLUA 24-013 / LEG-24-01 – Park Place Concept Plan Code Amendments

Commenter Date	Testimony Format	Issue / Comment / Concern	Staff Comment	Has this been Addressed? How?
		of supportive commercial uses in Park Place less feasible. • 17.62.061 and 16.08.043—Commercial development should not be required to pay a fee-in-lieu for parks. • Required dedication of parks and trails is not supported by an adequate evidentiary base and would constitute unconstitutional takings as currently proposed.		
Jennifer Arnold, Emerio Design 9/23/2024	Letter / Verbal w/ attachments	Alley requirements in PPCP will: • Increase housing costs • Increase construction costs 25-50% • Increase impervious surfaces 20-25% • Add additional road design, engineering, grading, drainage and construction challenges • Reduce “lot yield”	See Staff Memorandum “Response to development related comments on GLUA24-013/LEG-24-01”	See Staff Memorandum “Response to development related comments on GLUA24-013/LEG-24-01”
Harlan Borow, ICON Construction 9/23/2024	Verbal, notes	• Park and trail dedication and fee-in-lieu payments • Referenced 2019 arguments on alley loading that are attached to record • Garage orientation standards • Prohibiting front-loaded development	See Staff Memorandum “Response to development related comments on GLUA24-013/LEG-24-01”	See Staff Memorandum “Response to development related comments on GLUA24-013/LEG-24-01”

Public Comments and Issue Summary Matrix for Legislative File: GLUA 24-013 / LEG-24-01 – Park Place Concept Plan Code Amendments

Commenter Date	Testimony Format	Issue / Comment / Concern	Staff Comment	Has this been Addressed? How?
Dolores Rund 9/23/2024	No longer had question		N/A	N/A
Roya Mansouri	Verbal, 9/23/2024	• Lives on adjacent property • Likes direction of amendments concerning greenspace, parks, trails, transition zones • Likes mixed lot size idea to promote housing diversity • Question on through roads • Prefers rear loaded design	OCMC 16.12 Public Improvement standards require connectivity of roads to connect to adjacent redevelopable land. This includes land designated as Urban Reserve areas outside the current UGB that may eventually be brought into the UGB.	Yes. OCMC 16.12.015 - <i>Street design—Generally</i>. This code section is not proposed to be amended.

Public Comments and Issue Summary Matrix for Legislative File: GLUA 24-013 / LEG-24-01 – Park Place Concept Plan Code Amendments

Commenter Date	Testimony Format	Issue / Comment / Concern	Staff Comment	Has this been Addressed? How?
Enoch Huang 9/23/2024	Letter/Verbal	- Did not know about prior meetings until legislative public notice - Pleased with some of the recommendations - Would like to learn more about transition zone 40' setbacks, especially how they work when adjacent zone is outside UGB (County FU-10)? - Concern for “wetlands in NE corner”		City provided notice per OCMC 17.50 and as required by state law. Yes. Language added to code amendments to clarify that the transition zone requirements are applicable only to where new development abuts existing zoned residential areas within Oregon City limits and not to areas with County zoning that are outside the city. In other words, the intent of the transition area was not to try to match existing County zoning. There are no wetland impacts proposed as this is not a development application. Verification of wetland locations occurs at the time of development review per OCMC 17.49.
Michael Doran	Verbal, 9/23/2024	Concerns about development	This is not a development application	See staff comment
Mark Hutt-Bennett	Verbal, 9/23/2024	Concerns about development	This is not a development application	See staff comment
Megan Keough	Verbal, 9/23/2024	Concerns about development	This is not a development application	See staff comment

Public Comments and Issue Summary Matrix for Legislative File: GLUA 24-013 / LEG-24-01 – Park Place Concept Plan Code Amendments

Commenter Date	Testimony Format	Issue / Comment / Concern	Staff Comment	Has this been Addressed? How?
Janice and Ron VanDomelen 9/12/2024	Website	No comment. Receive future updates.		Included in all PC and CC agenda distributions.

Public Comments and Issue Summary Matrix for Legislative File: GLUA 24-013 / LEG-24-01 – Park Place Concept Plan Code Amendments

Commenter Date	Testimony Format	Issue / Comment / Concern	Staff Comment	Has this been Addressed? How?
Barbara Cox 9/6/2024	Email	I have received notice about the Sept. 23rd Planning Commission meeting. It appears to me that the Swan Rd exit from the North Village will be connected to the east end of Beemer Way. I'm writing to find out if this is the case, and if so, to express concerns about routing more traffic along this road that is heavily used by children. Also, there are parts of the road that are quite narrow, allowing only one lane of traffic including the stretch closest to Holcomb.	Swan Avenue connection is part of the adopted Transportation System Plan (Project D49). It will be a Residential Collector road built by developers following annexation, zoning, and if development occurs. The timing of this road connection is unknown, but it be needed for buildout of the area west of the North Village. It will be challenging to engineer and construct due to cost and environmental constraints.	Oregon City Transportation System Plan https://www.oregoncity.org/854/Transportation-System-Plan
9/23/2024	Verbal	I am also looking for the appropriate person for me to ask about the Clackamas Heights redevelopment, I am concerned about the projected loss of tree cover and how that will affect the entire neighborhood. If you can address that also, it would be great, if not, can you point me to someone who would be able to. Safety of Swan Avenue connection to Beemer Way	There is currently no application for the redevelopment of the Clackamas County Housing Authority property known as Clackamas Heights, which is outside of the PPCP boundary.	<i>Minimum Public Improvement and Design Standards – Street Standards OCMC 16.12</i> Planning Commission recommended making projects D48 and D49 a higher priority in the next TSP update. Questions regarding Clackamas Heights redevelopment may be directed to the CCHA at hacc@clackamas.us . See also the County webpage: https://www.clackamas.us/housingauthority/clackamas-heights

Public Comments and Issue Summary Matrix for Legislative File: GLUA 24-013 / LEG-24-01 – Park Place Concept Plan Code Amendments

Tammy Stevens, Hamlet of Beavercreek 9/12/2024		Landslides, Transportation	The hamlet’s comments do not address the proposal or any of the proposed code amendments. No development is proposed with this legislative code update. No changes to the city’s approval criteria for transportation impact analysis or the Geologic Hazards Overlay District code are proposed.	Guidelines for Transportation Impact Analysis https://www.orcity.org/1164/Guidelines-for-Transportation-Impact-Ana Oregon City Transportation System Plan https://www.orcity.org/854/Ttransportation-System-Plan <i>Minimum Public Improvement and Design Standards – Street Standards</i> OCMC 16.12 <i>Geologic Hazards Overlay District</i> was amended through a legislative code update process in 2021 and adopted by Ord. No. 21-1012, § 1(Exh. A), 7-21-2021), acknowledged by DLCD to be compliance with Statewide Planning Goal 5 – Natural Hazards. OCMC 17.44 https://www.orcity.org/1093/Geologic-Hazards Traffic Engineering FAQs https://www.orcity.org/DocumentCenter/View/3657/Traffic-Engineering---Frequently-Asked-Questions-PDF
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Public Comments and Issue Summary Matrix for Legislative File: GLUA 24-013 / LEG-24-01 – Park Place Concept Plan Code Amendments

Commenter Date	Testimony Format	Issue / Comment / Concern	Staff Comment	Has this been Addressed? How?
Bobby Youngren 9/5/2024	Website	How would this affect Holly Lane	These code amendments have no effect on the transportation system. No development is proposed.	Yes, see staff comment. Oregon City Transportation System Plan https://www.oregoncity.org/854/Transportation-System-Plan <i>Minimum Public Improvement and Design Standards – Street Standards</i> OCMC 16.12
Woody Youngren 9/5/2024	Website	No comment. Sign up only.		Included in all PC and CC agenda distributions.
Juanita Whitaker 9/4/2024	Website	No comment. Sign up only.		Included in all PC and CC agenda distributions.
Mark Lewis 9/3/2024	Website	No comment. Sign up only.		Included in all PC and CC agenda distributions.

Public Comments and Issue Summary Matrix for Legislative File: GLUA 24-013 / LEG-24-01 – Park Place Concept Plan Code Amendments

Commenter Date	Testimony Format	Issue / Comment / Concern	Staff Comment	Has this been Addressed? How?
Jerald Carlson 9/3/2024	Website	Proposing a trail that trespasses right through the backyard of private properties is ludicrous! Apparently, you are welcoming lawsuits over this plan; after all, a public trail through one's back yard will lead to homeless tents, a rise in property crimes, and myriad lawsuits, not to mention the unstable ground that exists in this area, which I personally witnessed in the 1950s and 1960s. Who is the tyrant who is running this show? Maybe we should put a public trail through their garden, and see how they like it. Yes, keep me updated on this crazy plan. Thank you.	Trail locations are conceptual based on existing adopted parks and trails plans. Exact trail locations will be determined if willing property owners apply for development approval per standard process. Trail dedication or fee-in-lieu of dedication shall be a proportional exaction based on the number of housing units proposed. Trails will not “trespass” across private property since their construction would be only feasible following development approval with owner consent. Trails are not anticipated to cause problems within the geologic hazard overlay district since they do not require significant excavation depending on their impact. Non-exempt project impacts within the Geologic Hazard Overlay District and/or Natural Resources Overlay District shall comply with OCMC 17.44 & 17.49 if applicable.	See staff comment. New standards for trail dedication in OCMC 17.62.061 and 16.08.043. Existing standards in OCMC 17.44 and 17.49.
Lois Allen 9/4/2024	Website	Roads Redland and Holly will there be a (Round-About or Red Light) ?? we are on Redland second house to Holly	These code amendments have no effect on the transportation system. No development is proposed. The TSP calls for an Operational Enhancement <i>Project D36 – Long Term Phase 4</i> consisting of a single-lane roundabout, however, the design could change due to cost, timing and environmental constraints.	Planning Commission recommended making this project a higher priority in the next TSP update.

Public Comments and Issue Summary Matrix for Legislative File: GLUA 24-013 / LEG-24-01 – Park Place Concept Plan Code Amendments

Commenter Date	Testimony Format	Issue / Comment / Concern	Staff Comment	Has this been Addressed? How?
Thomas Funk 8/26/2024	Website	No comment. Sign up only.		Included in all PC and CC agenda distributions.
Jackie Hammond Williams 5/13/2024	Letter to Planning Commission	History of neighbor involvement with the PPCP Connectivity Support for clear and objective standards to implement the vision of the PPCP	Existing and proposed amendments should achieve the vision of the PPCP. Proportional exactions, clear and objective zoning and development standards, SDC credits and/or other financing tools will achieve what is needed to implement the PPCP vision.	These comments will be addressed through the legislative process.
James Nicita 5/12/2024 for PC meeting on 5/13/2024	Email with Attachments: Excerpt Park Place LUBA Decision.pdf; 2024-05-07 Nicita CC Public Comment ParkPlace.pdf	Text amendments should be made to the Park Place Concept Plan and the Oregon City Comprehensive Plan to assure compliance with clear and objective criteria requirements. City should precisely delineate the extent of the conceptual locations of the big park, the Holly Connector, and the Main Street Village through metes and bounds descriptions	Describing a specific area for these features could be grounds for takings claims. It is better to determine exact locations at the time of development and use proportional exactions, clear and objective zoning and development standards, SDC credits and/or other financing tools to achieve what is needed to implement the PPCP.	Oregon City Transportation System Plan https://www.orcity.org/854/Transportation-System-Plan <i>Minimum Public Improvement and Design Standards – Street Standards OCMC 16.12</i> Planning Commission recommended making Holly Lane connection to Redland Rd a higher priority in the next TSP update

Public Comments and Issue Summary Matrix for Legislative File: GLUA 24-013 / LEG-24-01 – Park Place Concept Plan Code Amendments

Commenter Date	Testimony Format	Issue / Comment / Concern	Staff Comment	Has this been Addressed? How?
James Nicita 5/07/2024 CC Worksession	Email	City can take the position that "clear and objective" standards apply only to residential zones, and not to other elements of development such as parks, commercial, office, transportation and stormwater facilities etc. Residential and park uses should not be permitted in NC zone. Only office and commercial uses should be permitted in NC zone. City should institute quantitative water quality standards City should mandate green streets even in sloped areas City should adopt "main street" standards to implement vision of PPCP	Staff and PC recommended limitations on residential, park and storm ponds in the NC zone. The City Commission discussed Neighborhood Commercial uses at their Sept 4 2024 meeting. Consensus to see a limited set of uses in the NC district intended to serve the neighborhoods nearby, would attract businesses and patrons alike, and did not want to see uses that might dissuade visitors and businesses from the NC district.	A new more limited set of uses is proposed for the NC zone. Residential use on the ground floor is prohibited unless set back a minimum of one hundred feet from the property line along Livesay Road / Main Street.

Public Comments and Issue Summary Matrix for Legislative File: GLUA 24-013 / LEG-24-01 – Park Place Concept Plan Code Amendments

Commenter Date	Testimony Format	Issue / Comment / Concern	Staff Comment	Has this been Addressed? How?
Bob LaSalle 5/6/2024 5/10/2024	Two emails	Comments on Planning Commission options for PPCP Key Elements presented in the Implementation Memorandum Key Elements #1, #2, #3, #4, #5, #6, #9, #10, #11	Staff addressed all of Mr. LaSalle's comments in the implementation memorandum to the Planning Commission and City Commission which was used to frame the subsequent code amendments.	Yes.
Linda Smith 5/7/2024	Email	Requested that planning staff meet with Park Place Neighborhood Association (PPNA) prior to legislative hearings. "The CIC has not been a principal party during the development or refinement of the PPCP. PPNA has been deeply vested in the PPCP for over two decades and should be included when proposing any code refinement to the PPCP."	Agree	Staff presented to PPNA 8/19/2024, prior to legislative process.

COMMENT FORM

①



PLEASE PRINT CLEARLY

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND ADDRESS
- Limit Comments to **3 MINUTES**.
- Give to the City staff in the Chambers **prior** to the meeting.

Date of Meeting 10/28/24

Item Number From Agenda Park Place

NAME:

Kelly Poindexter

EMAIL ADDRESS:

rkpoin@gmail.com

ADDRESS:

Street:

City, State, Zip:

PHONE NUMBER:

SIGNATURE:

COMMENT FORM



PLEASE PRINT CLEARLY

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND RESIDING CITY
- Limit Comments to **3 MINUTES**.
- Give to the Clerk in Chambers **prior** to the meeting.

Date of Meeting 10/28

Item Number From Agenda Park Place Proposal

NAME:

Tyler Gill

ADDRESS:

Street: 14306 Holly Crest Lane

City, State, Zip: Oregon City, OR 97045

PHONE NUMBER:

518 229 1744

E-MAIL ADDRESS:

tylergill7@gmail.com

SIGNATURE:

Tyler Gill

COMMENT FORM



PLEASE PRINT CLEARLY

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND ADDRESS
- Limit Comments to **3 MINUTES**.
- Give to the City staff in the Chambers **prior** to the meeting.

Date of Meeting 10/28/2024

Item Number From Agenda _____

NAME:

Megan Keough

EMAIL ADDRESS:

mkeough320@gmail.com

ADDRESS:

Street: 14346 Holly Crest Ln.

City, State, Zip: Oregon City, OR 97045

PHONE NUMBER:

503-244-1642

SIGNATURE:

mkeough

COMMENT FORM



PLEASE PRINT CLEARLY

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND RESIDING CITY
- Limit Comments to **3 MINUTES**.
- Give to the Clerk in Chambers **prior** to the meeting.

Date of Meeting 10/28

Item Number From Agenda 4a

NAME:

Tom Aeil

ADDRESS:

Street:

City, State, Zip:

PHONE NUMBER:

E-MAIL ADDRESS:

SIGNATURE:

Tom Aeil

COMMENT FORM



PLEASE PRINT CLEARLY

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND RESIDING CITY
- Limit Comments to **3 MINUTES**.
- Give to the Clerk in Chambers **prior** to the meeting.

Date of Meeting 10/28/24

Item Number From Agenda 4A

NAME:

Jane Nitschke

ADDRESS:

Street:

Earhart Ave

City, State, Zip:

O.C. OR 97045

PHONE NUMBER:

503-594-4208

E-MAIL ADDRESS:

447jen@gmail.com

SIGNATURE:

Jane Nitschke

COMMENT FORM



PLEASE PRINT CLEARLY

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND ADDRESS
- Limit Comments to **3 MINUTES**.
- Give to the City staff in the Chambers **prior** to the meeting.

Date of Meeting 10/28/24

Item Number From Agenda 4a ? no paper to see parkplace
Clackamas Heights

NAME:

Joyce

EMAIL ADDRESS:

joybells31@gmail.com

ADDRESS:

Street: 14100 Beemer Way

City, State, Zip: O.C. 97045

PHONE NUMBER:

SIGNATURE:

Joyce Carlson

COMMENT FORM



PLEASE PRINT CLEARLY

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND RESIDING CITY
- Limit Comments to 3 MINUTES.
- Give to the Clerk in Chambers prior to the meeting.

Date of Meeting 10-28-24

Item Number From Agenda 4A

NAME:

CHRISTINE KOSINSKI

ADDRESS:

Street: HOLLY

City, State, Zip: _____

PHONE NUMBER: _____

E-MAIL ADDRESS: _____

SIGNATURE: _____

COMMENT FORM



PLEASE PRINT CLEARLY

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND RESIDING CITY
- Limit Comments to 3 MINUTES.
- Give to the Clerk in Chambers prior to the meeting.

Date of Meeting 10/28/24

Item Number From Agenda 4a

NAME:

Bradley King

ADDRESS:

Street: _____

City, State, Zip: _____

PHONE NUMBER: 503-313-8262

E-MAIL ADDRESS: _____

SIGNATURE: [Signature]

COMMENT FORM



PLEASE PRINT CLEARLY

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND RESIDING CITY
- Limit Comments to **3 MINUTES**.
- Give to the Clerk in Chambers **prior** to the meeting.

Date of Meeting

10/28/21

(PP)

Not 1st please

Item Number From Agenda

code Amendment

NAME:

Harlan Borow

ADDRESS:

Iron construction
Street: 1969 Willamette Falls Dr. Suite 260

City, State, Zip: West Linn, OR 97061

PHONE NUMBER:

503 713 8627

E-MAIL ADDRESS:

Harlan@ironconstruction.net

SIGNATURE:

Harlan Borow

Kay Neumann

From: Kay Neumann
Sent: Monday, October 28, 2024 3:39 PM
To: Kay Neumann
Subject: RE: Public Comment Submission

From: No Reply <noreply@civicplus.com>
Sent: Monday, October 28, 2024 2:10 PM
To: Recorder Team <recorderteam@orc.org>
Subject: Public Comment Submission

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Submitted by: Samantha Wolf
Email Address: sammwolf@gmail.com

Commented on event: <https://oregoncityor.portal.civicclerk.com/event/59/overview>

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User comment: Dear Commissioners of the Planning Commission, I am providing comment on two agenda items.

1) Park Place Concept Plan - Given the proposed projects in this area contain wetland habitat and many tall mature trees, it is important to protect these sensitive habitats in order to preserve healthy and functioning ecosystems as stated in our City goals. Adding language to the amendments to leave these areas undeveloped or protected will ensure new developments do not destroy important ecosystems and their benefits. At least 30-33% canopy cover is recommended to ensure neighborhoods have a cooling buffer against future heatwaves as well as habitat for protected species.

2) McLoughlin Blvd Enhancement Plan: I appreciate the concept plan presented to the Natural Resources Committee/Park and Recreation Advisory Committee meeting earlier this month. We recommended the inclusion of environmental protections to the forested shoreline in between 10th and 8th Ave. This area contains habitat for nesting birds and provides shade and woody-debris for protected species of fish. The NRC and PRAC were assured that a new paragraph or section in the plan would contain language describing the value of preserving the forested area as a core value of the project. Given the current concept design, the North Tower of the walkway would directly impact the forested shoreline, and no amount of mitigation is feasible given the limited amount of soil volume. The shoreline here is predominantly bedrock and the soil developed very slowly over 100's of years. This comment is to affirm the addition of preserving important and environmentally sensitive habitat is a critical component for future planning.

Thank you! Sam Wolf

Kay Neumann

From: Oregon City Planning
Sent: Monday, October 28, 2024 3:55 PM
To: Kay Neumann
Subject: FW: Public Comment Submission

From: No Reply <noreply@civicplus.com>
Sent: Monday, October 28, 2024 3:29 PM
To: Recorder Team <recorderteam@orc.org>
Subject: Public Comment Submission

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Submitted by: Mike Mueller
Email Address: mikemueller7788@gmail.com

Commented on event: <https://oregoncityor.portal.civicclerk.com/event/59/overview>
If you are having trouble viewing the URL above, cut and paste the string into your browser window.

User comment: We'd first like to thank the Oregon City Planning Department staff for all their hard work, plus their patience and support in answering the many questions that have risen over the years. We watch all the Planning Commission and City Commission hearings. The most recent discussions revolve around city code modifications. Many of the details seem to be specific to the Park Place development, rather than being general enough to apply to all developments in Oregon City. We are concerned that by making the code modifications so specific to Park Place, the code will have limited applicability to the rest of Oregon City.

Good Evening Commissioners,

First off, please allow me to apologize for my emotional testimony at the last Planning Commission meeting. After 21 years of dealing with the Park Place Concept plan, through 3 Failed Annexations, and years of testimony before the Planning Commission and City Commission, I am exasperated and frustrated that apparently no matter that our city unanimously denied this application, ICON has the big bucks to fight this to the state appeals.

As the current President of the Trail View Home Owners Association, I plead with you on behalf of our residents to please take into consideration the traffic that our neighborhood will be dealing with. Our previous president and officers presented our HOA attorney's opinion on this development.

In Trail View we have 43 homes. Please look at the attached map. All the Yellow surrounds Trail View. If Journey Drive and Shatner Drive are opened to through traffic, there will be a huge increase in pass-through traffic, and the children who play in the streets will be endangered. This is definitely a pass-through situation. Why would anyone in 22E28D 3701 drive all the way around the backside of our Neighborhood to 22E27B 600 where the only exit/entrance to all this development would be located. They will take shortcuts through our neighborhood.

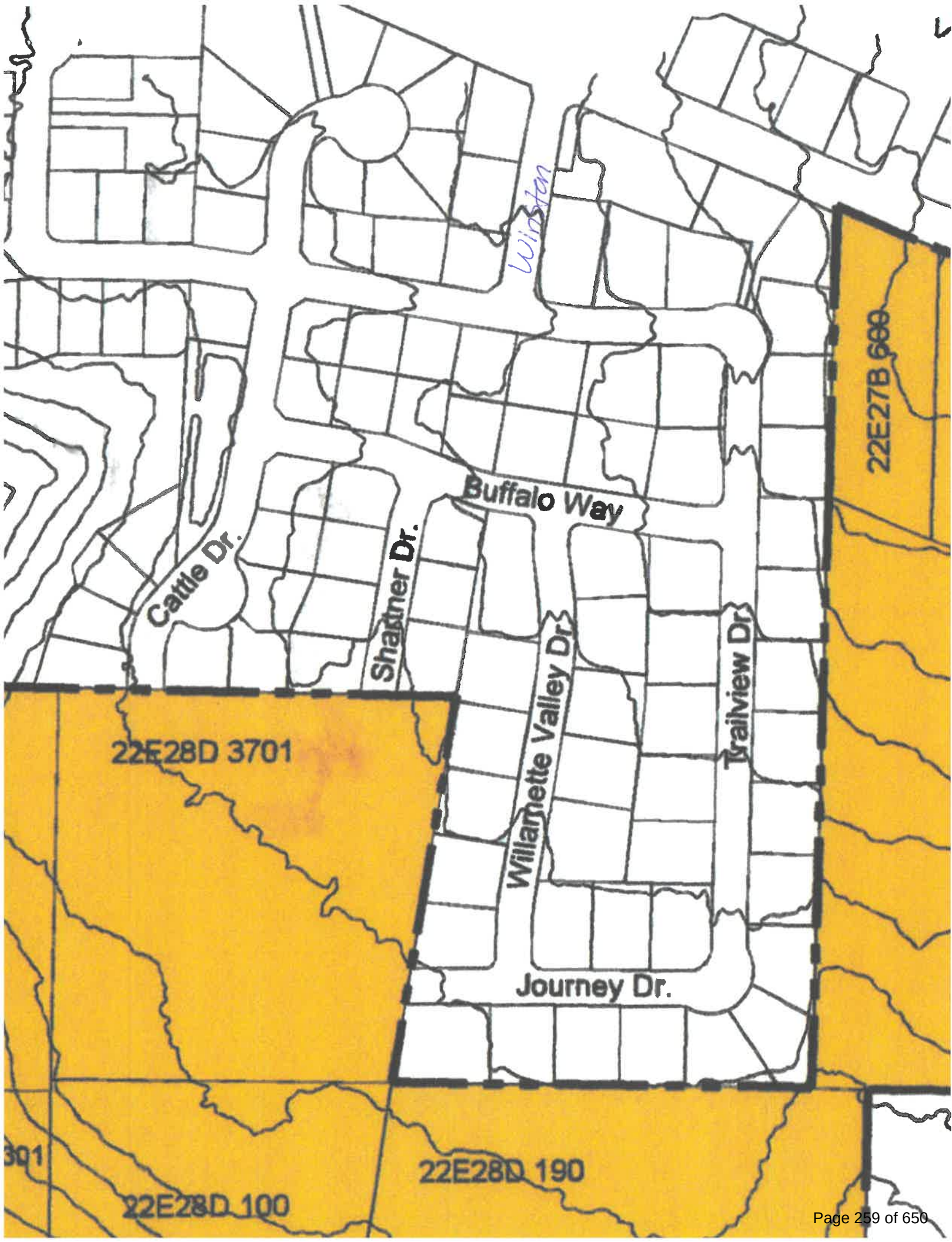
But more importantly, it has been pointed out that during the fires of just a few years ago, there was only one entrance/exit out of Trail View at Winston Drive, for all the neighbors in this area. WINSTON Drive is just a short half street that all these homes use to get in and out of these developments. During the fires, it was an hour just to get out of Winston, and another hour and a half to get down Holcomb Blvd, Many, including us, just gave up, rather than burn alive in our cars, as happened in California. We returned to our homes to wait our potential entrapment.

If ICON is allowed to add all these homes, and open these streets into our development, we are heading into huge traffic congestion in this small development of ours.

I realize that you cannot stop ICON since they pleaded their case to the state, but please help us with our traffic concerns. No development should occur, until the road down to Redland is completed. At the last meeting, one of the attendees who lives below this development, approached me, and informed me that ICON had withdrawn an offer on their property. Apparently, ICON now realizes that they do not have to complete the road down to Redland, because they are being allowed to build as they wish.

Please helps us in our existing Home Owners Association Neighborhood.

Tom Geil,
President of the Trail View Home Owners Association



Oregon City Planning Commission
Meeting of October 28, 2024

RE: Agenda Item 4a – LEG 24-01 Park Place Concept Plan Code Amendments

From: Christine Kosinski, Unincorporated Clackamas County

I went to the City website last Friday, 10/25/24, and could not find this meeting posted and did not know why. I didn't find the meeting until late today after I came home from a dental appointment.

I ask that you leave the meeting open, as several people left the last Planning Commission meeting early and their testimonies were never heard. Many people were left out, and the ones that left early, were they notified???? This meeting should have been posted on time and notices should have been out so that the people who left early were finally notified their could attend and have their testimonies heard.

For the people of Holly Lane, I am testifying today to give you our following concerns which have not been heard. We ask they be put into the record and that the people of Holly Lane hear back from Oregon City regarding our following requests.

1. Trip Cap – We ask for a trip cap of no more than 4,000 trips per day down Holly Lane. We are a residential community, Holly Lane currently has a **40mph speed limit**, however traffic goes down the street at **60-80 mph without any regard for the people crossing the street, getting their mail or trying to get out of the driveways. THIS IS A SERIOUS HAZARD!**
2. We ask that SB 762 “Wildfire Adapted Communities” become part of the entire Park Place Concept Plan, to include ALL of the boundaries within the Park Place Plan, as well as the entirety of Holly Lane, and to include all the planned extensions of Holly Lane.
3. We ask that an “EVACUATION PLAN” be part of the entire Park Place Concept Plan and this is to include entire boundaries of the PPCP as well as all of HOLLY LANE AND ALL THE PROPOSED EXTENSIONS OF HOLLY LANE.
4. If Holly Lane is to take on added traffic created by development from Oregon City, we ask that the City of Oregon City entirely cover each homeowner with any and all liabilities from landslides, this is to cover 100% of any and all losses to the homeowner should they have a landslide on their property.
5. DLCD has made a recommendation to cities and counties that aligns with Statewide Planning Goal I, DLCD asks that cities and counties use best practices and a meaningful participatory process to engage community members, **particularly those from traditionally under-served and under-represented populations, in planning wildfire adapted communities, which includes preparedness, evacuation, adaptation, mitigation, and recovery planning. DLCD has guidelines online available to assist with these efforts. DLCD recommends PUTTING THE PEOPLE IN PLANNING. I request therefore that the City send any and all meeting notices regarding the PPCP to ALL homeowners on Holly Lane.**

We ask the City to consider that both the People of Park Place and Holly Lane have already had a trial run at evacuating in the fires of 2020 that came all too close to both PPNA and Holly Lane. It took me 30 minutes for drivers to let me out of my driveway, it took me 2 more hours just go get out of Oregon City and another hour to get to Oak Grove. In a true emergency none of the drivers would have made it out from the hilltop, we would have been an injury, or worse yet, a victim.

We also want you to understand that we take landslides very seriously, having lost homes on Holly Lane in 1996-97. There was NO insurance, there were small payments from FEMA, the people who had losses had to pay for everything. If the City continues to propose more and more traffic for Holly Ln then the city should pay for any and all losses borne by these homeowners.

UNDERSTAND! This is not a stable area, development should not be allowed here and the City knows this, even Professor Scott Burns has serious concerns. There are too many Troutdale soils and stability problems here.

I have previously, on at least 3-4 occasions, given the City instructions to read the "Thesis written by Professor Bill Burns of DOGAMI which covers the very difficult and very unstable "MORTON LANDSLIDE". Go ahead and read it because after you do the City will no longer be interested in any road on Morton Road. The same could be said of Beemer and Swan Avenues.

It would be very beneficial to the city if they contact Professor Bill Burns of DOGAMI and ask to consult with Oregon City regarding their plans for Beemer, Swan, and Morton. You need to read his Thesis because after reading you will want to cancel all plans for Beemer, Swan and Morton. Yes, it is just that unstable here.

We ask that the city comply with and add to the PPCP that all requirements of Statewide land use Goals 1 and 7 will be part of the plan as well as all requirements of the FEMA NHMP and those of Senate Bill 762 as well.

We ask that the City confirm that they agree to each of the above requests made by the people of Holly Lane. These requests are to cover the entire boundaries of Holly Lane and those of the proposed Park Place Concept Plan.

Thank you ^{Chairman} ~~Commissioner~~ Stoll + members of the Planning Commission
My name is Harla Barow and I am the Acquisitions +
Development manager for Zion Construction + Development
~~based in West Linn~~

In other words, a legal not
planning memo, telling you why you
can't do
the
code
amendments
not whether
you
should

focus on

- (1) The City's memo appears to be a refutation of the legal authorities mentioned in our legal counsel's letter, but it makes no attempt to respond to the policy concerns highlighted in the other 35 pages of detailed testimony explaining why perpetuation of these standards is neither in ICON's or the City's interest.
- (2) We have provided substantial evidence explaining how the perpetuation of outdated residential design standards will unreasonably increase the costs of homes.

- a. The City Attorney is incorrect that ORS 197A.400(1), which prohibits standards that discourage needed housing through unreasonable cost or delay, only applies when the standard is amended. This is plainly reflected in the language of the statute itself:

~~"(1) Except as provided in subsection (3) of this section, a local government may adopt and apply only clear and objective standards, conditions and procedures regulating the development of housing, including needed housing, on land within an urban growth boundary, unincorporated communities designated in a county's acknowledged comprehensive plan after December 5, 1994, nonresource lands and areas zoned for rural residential use as defined in ORS 215.501. The standards, conditions and procedures:~~

- ~~(a) May include, but are not limited to, one or more provisions regulating the density or height of a development.~~
- ~~(b) May not have the effect, either in themselves or cumulatively, of discouraging needed housing through unreasonable cost or delay."~~

By prohibiting the "application" of standards that may discourage needed housing through unreasonable cost or delay, ~~ORS 197.400(1)~~ ^{the statute} would certainly apply in any future application of the garage design and orientation standards.

- b. Regardless of whether LUBA would stick to its 2022 year-old opinion in the LUBA case cited by staff, you have before you actual evidence that perpetuating the garage setback and orientation, as well as the alley requirements, will increase the costs of a residential construction by:
 - i. 20% for the individual units due to garage orientation requirements.
 - ii. 25%-50% for land development costs due to alley requirements.
- c. The question is whether the aesthetic preference that the City made in 2006 are relevant in today's market, and whether those aesthetic preferences are worth increasing the cost of the homes by 20 to 50%. Given the minimal practical gains provided by the design aesthetic of homes in light of the City's objective to also require middle housing, we do not believe that standards creating such costs increases are reasonable.

Family

and trails

- (3) As to the questions concerning the parkland dedication requirement, we raised our constitutional objections because we are required to do so at the first opportunity. Our concern is simple: if the City believes that a certain amount of parkland is necessary for each 1000 residents, it must do more than simply citing to a plan that includes that aspiration. We are more than willing to provide our fair share of parkland as developers, but it simply will not do to have to pay parks SDCs and dedicate and improve parkland without just compensation. If there are SDC credits that cover the dedicated parkland, that may go a long way to offsetting the potential takings issue, but as

We encourage the city to update the CIP to reflect the updated Park
Master Plan to include Park Place crossing and SDC methodology
available. We also encourage the city to make commission to
moderate the disproportionate burden
placed on early developers compared to later developers.

COMMENT FORM



PLEASE PRINT CLEARLY

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND ADDRESS
- Limit Comments to **3 MINUTES**.
- Give to the City staff in the Chambers **prior** to the meeting.

Date of Meeting 10/28/2024

Item Number From Agenda 4b Mc HUGHN LIN IMPROVEMENT

NAME:

PAUL EDGAR

EMAIL ADDRESS:

ADDRESS:

Street:

City, State, Zip:

OC

PHONE NUMBER:

SIGNATURE:

Pete Walter

From: Evan Lee
Sent: Monday, October 28, 2024 3:42 PM
To: Oregon City Planning
Cc: Recorder Team
Subject: FW: Public Comment Submission

Another one came through.

-Evan



Evan Lee
Assistant City Recorder

elee@orccity.org

City of Oregon City

PO Box 3040

625 Center Street

Oregon City, Oregon 97045

Office Hours: Mon – Fri, 8 am – 5 pm

503-496-1505 Direct phone

503-657-0891 City phone

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To: Recorder Team <recorderteam@orccity.org>
Subject: Public Comment Submission

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Submitted by: Mike Mueller

Email Address: mikemueller7788@gmail.com

Commented on event: <https://oregoncityor.portal.civicclerk.com/event/59/overview>

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User comment: We'd first like to thank the Oregon City Planning Department staff for all their hard work, plus their patience and support in answering the many questions that have risen over the years. We watch all the Planning Commission and City Commission hearings. The most recent discussions revolve around city code modifications. Many of the details seem to be specific to the Park Place development, rather than being general enough to apply to all developments in Oregon City. We are concerned that by making the code modifications so specific to Park Place, the code will have limited applicability to the rest of Oregon City.

Pete Walter

From: Jakob Wiley
Sent: Monday, October 28, 2024 2:56 PM
To: Oregon City Planning
Cc: Recorder Team
Subject: FW: Public Comment Submission

Hi,

This public comment is for you.

Thanks,
Jakob



Jakob Wiley, JD, MS
City Recorder
City of Oregon City
503-496-1509 Direct phone
503-657-0891 City Hall

Website: www.orcity.org | [Recorder's Page](#) | [Facebook](#) | [Twitter](#)

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Subject: Public Comment Submission

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Submitted by: Samantha Wolf
Email Address: sammwolf@gmail.com

Commented on event: <https://oregoncityor.portal.civicclerk.com/event/59/overview>

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Blvd Enhancement Plan: I appreciate the concept plan presented to the Natural Resources Committee/Park and Recreation Advisory Committee meeting earlier this month. We recommended the inclusion of environmental protections to the forested shoreline in between 10th and 8th Ave. This area contains habitat for nesting birds and provides shade and woody-debris for protected species of fish. The NRC and PRAC were assured that a new paragraph or section in the plan would contain language describing the value of preserving the forested area as a core value of the project. Given the current concept design, the North Tower of the walkway would directly impact the forested shoreline, and no amount of mitigation is feasible given the limited amount of soil volume. The shoreline here is predominantly bedrock and the soil developed very slowly over 100's of years. This comment is to affirm the addition of preserving important and environmentally sensitive habitat is a critical component for future planning. Thank you! Sam Wolf



1969 Willamette Falls Drive #260, West Linn, OR 97068 (503) 657-0406 fax (503) 655-5991

October 21, 2024

Greg Stoll, Chair
City of Oregon City Planning Commission
625 Center Street
Oregon City, OR 97045

RE: Oregon City Park Place Concept Plan Code Amendments (Legislative File GLUA 24-013/LEG-24-01)

Dear Chair Stoll:

As I previously presented in brief public comment at the prior Planning Commission meeting on September 23, 2024, Icon and its affiliated entities are one of the larger land owners in the North Village of the Park Place Concept Plan Area. We are therefore very invested in the proposed code amendment process, and we commend the staff on their hard work and for the Planning Commission working through this difficult and detailed process since May.

We are actively engaged in working with the city to find mutually agreeable pathways and processes to achieve many of the most important goals and objectives of the Park Place Concept Plan, and other city infrastructure master plans, especially the much-needed north-south Holly Lane arterial connection between Holcomb Blvd and Redland Rd

Several of the proposed changes have material practical and financial implications for development within the Park Place Concept Plan area. We provided written testimony at the prior meeting, and I have attached them again here as reference. This testimony included:

1. Letter from Garrett Stephenson of Schwabe dated September 23, 2024
2. Letter from Jennifer Arnold of Emerio Design dated September 23, 2024

Due to the amount of material to review and the associated potential impacts, we requested, and the Planning Commission granted, an extension of the public comment period to the upcoming meeting on October 28, 2024. We are grateful and very appreciative of the extension to allow both the Planning Commission and us the opportunity to conduct additional review and analysis of the proposed code amendments. The following summarizes and expands upon our prior comments.

1. **Needed Housing** – We live in a different social, economic and legislative world now compared to when the Park Place Concept Plan was formulated. The clear need for housing affordability is reflected in recent new housing directives by the Governor and

in associated new state laws, including ORS 197A.400(1)(b) which prohibit discouraging needed housing through unreasonable cost increases. Mr. Stephenson's letter details the implications of the new laws.

2. **Alleys (16.12.026)** – Both Mr. Stephenson's and Ms. Arnold's letters provide detailed data on the significant cost increases alleys impose on developments, including:
- a. Increases in the amount of land dedicated to non-residential use, thereby increasing the per-unit expense of housing with an estimated 30% reduction in otherwise allowable housing density.
 - b. The additional pavement adds 20%-25% more impervious area which increases storm water management facility sizes and costs.
 - c. Topographic constraints, which are very prevalent throughout the Park Place Concept Plan area, add additional cost implications and loss of lot yield.
 - d. Overall, alley loaded construction will add 25% to 50% to the cost of overall development.
 - e. Long-term costs also increase as alley maintenance and replacement costs are imposed on homeowners' associations (HOA), who pass these costs onto homeowners in the form of HOA dues. Even worse, if an HOA is underfunded or dissolves, the homeowners may be forced to bear the costs through special assessments or direct funding.
 - f. The aesthetics and safety of alleys are also of concern. Alleys result in little to no rear yards, which is something most homeowners want – fenced yards for kids, pets and private outdoor enjoyment.

For all these reasons, we recommend this section of code be eliminated.

3. **Garage Orientation Standards (17.21.090)** – Both Mr. Stephenson's and Ms. Arnold's letters (and the prior letters from Icon included in their letters) provide detailed rationale and data on the significant cost increases the garage orientation standards impose on developments, including:
- a. There is **no** requirement prohibiting front-load garages in the Park Place Concept Plan for single-family housing, with only reference to multi-family housing where alleys are required.
 - b. Detached or non-corner lot side loaded garages require significantly larger lots, which decreases lot yield by as much as 50%, driving up the per-unit cost.
 - c. The larger lots are also challenging in the R-5 zone due to other dimensional standards. More importantly, middle housing is permitted and expected to be placed on smaller lots
 - d. Detached garages increase construction costs by an estimated 20% due to the duplication of a multitude of construction costs (i.e., foundations, roofs, etc.).
 - e. There are no other areas in Oregon City with such requirements.
 - f. There are no other jurisdictions with such requirements.
 - g. The marketability of homes with detached garages is questionable, especially here in the northwest. This is just not what most homeowners want.
 - h. Larger production homebuilders, if interested at all in building with these and the many other constraints in existing and proposed residential standards for the Park Place Concept Plan area, would likely be forced to use rear-loaded alley

products. This reduces housing production, and as summarized above, significantly increases costs.

For all these reasons, we recommend this section of code be eliminated.

4. **Two-Car Garages** – There are several additional sections of code that we believe should be amended to provide for more 2-car garages, notably OCMC 17.14 and 17.16.
 - a. There are many reasons why 2-car garages are more desirable, including:
 - i. Homeowners want 2-car garages for parking multiple vehicles, storage, shop space and other uses including more off-street parking in driveways for visitors.
 - ii. The current code methodology for measuring and restricting garage widths ends up forcing 1-car garages.
 1. A 1-car garage is too narrow to easily maneuver things like baby strollers and other bulky items and provides no room for storage.
 2. A 1-car garage is also an impediment to handicap access, thereby reducing availability of new housing to this group of prospective homeowners.
 3. Many larger production builders prefer not to build 1-car plans.
 - b. For these reasons, we recommend the following code modifications:
 - i. Change the measurement methodology to use garage door width not interior wall width. With all the architectural design elements that can be selected as mitigation, house plans can accommodate 2-car garages without having “garage centric” façades.
 - ii. Review and revise other code sections (i.e., 17,14.030) to remove impediments to 2-car garage implementation.
5. **Parkland and Trail Dedication** – As described in Mr. Stephenson’s letter, as currently contemplated, the code provisions are likely unconstitutional takings and unfairly put the burden on early developers. We strongly urge the Planning Commission to evaluate the arguments presented and revise the proposed code accordingly. Changing to a proper remuneration procedure with SDC credits for market-value reimbursement will bring the desired procedure in line with many other jurisdictions.

We appreciate the opportunity to provide this summary and look forward to further discussions.

Thank you.



Harlan Borow
Land Development and Acquisitions Manager

September 23, 2024

Garrett H. Stephenson
Admitted in Oregon
D: 503-796-2893
C: 503-320-3715
gstephenson@schwabe.com

VIA E-MAIL

Mr. Greg Stoll, Chair
Oregon City Planning Commission
695 Warner Parrott Rd,
Oregon City, OR 97045

RE: Legislative File GLUA 24-013/LEG-24-01

Dear Chair Stoll and Planning Commissioners:

This office represents ICON Construction and Development (ICON). We are in receipt of and have preliminarily reviewed the proposed code amendments intended to implement the Park Place Concept Plan (the “PPCP”) (the “Amendments”), City casefiles GLUA 24-013/LEG-24-01. We respectfully offer the following comments. We also request that the Planning Commission hearing be continued to the next scheduled Planning Commission meeting to allow time for ICON to determine the likely cost/market impacts of the Amendments.

1. The Amendments must ensure that a General Development Plan is not required for development within the PPCP area.

Under ORS 197A.400, a local government may not adopt or apply standards, conditions, and procedures that are not “clear and objective.”

“(1) Except as provided in subsection (3) of this section, a local government may adopt and apply only clear and objective standards, conditions and procedures regulating the development of housing, including needed housing, on land within an urban growth boundary. The standards, conditions and procedures:

(a) May include, but are not limited to, one or more provisions regulating the density or height of a development.

(b) May not have the effect, either in themselves or cumulatively, of discouraging needed housing through unreasonable cost or delay.”

Mr. Greg Stoll
September 23, 2024

As relevant here, the sole exception to this is ORS 197A.400(3), which provides as follows:

“(3) In addition to an approval process for needed housing based on clear and objective standards, conditions and procedures as provided in subsection (1) of this section, a local government may adopt and apply an alternative approval process for applications and permits for residential development based on approval criteria that are not clear and objective if:

(a) The applicant retains the option of proceeding under the approval process that meets the requirements of subsection (1) of this section;

(b) The approval criteria for the alternative approval process comply with applicable statewide land use planning goals and rules; and

(c) The approval criteria for the alternative approval process authorize a density at or above the density level authorized in the zone under the approval process provided in subsection (1) of this section.”

In *East Park v. City of Salem East Park, LLC v. City of Salem*, __ Or LUBA __, __ (LUBA No. 2022-050, Aug 30, 2022), the Oregon Land Use Board of Appeals (“LUBA”) held that there was no “clear and objective” path to approval for an applicant. LUBA reasoned that:

“ORS 197.307(6) provides that a local government may provide a discretionary approval path for housing only in addition to an existing clear and objective path. * * * ORS 197.307(6) authorizes local governments to adopt an alternative process for approving housing under standards that are not clear and objective, so long as the applicant retains the option of proceeding under an approval process that complies with ORS 197.307(4)” *Id.* (slip op at 11) (emphasis added). Much like *Icon*, the applicant in *East Park v. City of Salem* was not provided with an option to proceed under a clear and objective path.”

Thus, a local government must give an applicant for the development of housing the option to apply for a clear and objective approval process. The City may only impose standards that are not clear and objective if that approval process is open to that applicant, and the applicant nonetheless chooses to subject itself to a subjective approval process. In *ICON v. City of Oregon City*, LUBA confirmed the above principles and held that the City may not require an applicant to file a General Development Plan for development within the PPCP area. __ Or LUBA ____ (LUBA No. 2022-100, May 19, 2023).

Mr. Greg Stoll
September 23, 2024

The City's General Development Plan is an expressly discretionary, subjective process. It appears that the Amendments clarify that a GDP *is not required* for development within the PPCP area, and we support such a clarification. To the extent that any provision of the Amendment would require a GDP, or that the Amendments attempt to make the GDP standards or criteria "clear and objective," ICON would strongly oppose any such change.

2. The Planning Commission should modify certain proposed design standards in the Amendments to ensure that the homes in the PPCP area will be marketable.

a. 16.12.026—Alleys should not be required.

Alleys increase the amount of land area dedicated to non-residential uses and increase the per-unit expense of developing housing. They also increase the grading and erosion control needs for a given project over a project that does not have alleys. Therefore, without an offsetting incentive (such as a by-right increase in density), alleys should not be required because they "have the effect, either in themselves or cumulatively, of discouraging needed housing through unreasonable cost or delay." ORS 197A.400(1)(b). See also **Exhibit 1**, which explains the problems with alley requirements in more detail.

b. 17.21.090—The garage orientation and location limitations should be removed.

The proposed code amendments retain the prior requirement that "garages shall be detached, side entry or rear entry." Requiring alley-loaded garages creates the same cost increases that pertain to alleys themselves, discussed above, and would also discourage needed housing through unreasonable cost increases. ORS 197A.400(1)(b). Forcing garages to be detached require the construction of two separate buildings, with attendant cost duplication for roofs, foundations, and increased costs for extending wiring and other utility services to the garage. Such garages also result in a more expensive homes, violating ORS 197A.400(1)(b). This is summarized in the attached email from Darren Gusdorf, ICON's Commercial and Residential Division Manager, who estimates that these sorts of garage size, location, and orientation regulations increase the costs of a given home by 20%. **Exhibit 2**. Side-entry garages are only possible on street corners and can remain an option.

Too, the housing market often prefers front-loaded, attached garages, and both alley-loaded and detached garages significantly increase the cost of homes. In 2018 and 2019, ICON staff explained why prohibitions on attached, street-facing garages should be eliminated. **Exhibit 3** and **4**. We respectfully request that the Planning Commission review this testimony and consider these arguments anew.

Mr. Greg Stoll
September 23, 2024

In view of the market preference for attached garages, ICON also recommends the following changes to both the existing code and the proposed Amendments.

- 17.14.030.C—the maximum 50% of the façade that may be garage should be increased to 60%.
- 17.14.030.B—The maximum 12-foot garage limitation for townhomes should be eliminated. This greatly reduces marketability and likely restricts accessibility for handicapped citizens as there is no room for wheelchair access, resulting in reduced access to more affordable housing options.

c. 17.21.105—The housing diversity standards are too prescriptive.

The proposed housing diversity standards, while well-intentioned, are too prescriptive and could have unintended negative consequences.

First, ICON does not see how the City has the authority under ORS 197A.400 et. seq., to *require* a certain amount of middle-housing. HB 2001 was intended to provide developers more options and to offset the cost impacts of those options with tax incentives. 197A.420. We do not believe that it is reasonable, nor does it help the cause of increasing the supply of housing, to *mandate* a certain amount of middle-housing. This is because different properties have different development costs which may or may not allow for the construction of middle-housing, and ICON needs the flexibility to develop a unit mix that best facilitates the production of housing, be they middle-housing or single-family units.

Second, the middle-housing units should not have to be shown in the tentative or final plat, simply because not all developers actually build homes on the lots they plat. By restricting certain lots to middle-housing, the Amendments will likely make these and other lots less attractive to builders, who may need the flexibility to decide which lots should be used for middle-housing based on market factors at the time.

Finally, the Commission should not impose the proposed prohibition on more than three middle-housing lots abutting one another. This would preclude longer townhouse blocks because it is very difficult to construct an odd number of abutting townhomes. This would also make such townhomes look odd and out of place, whereas townhome blocks are traditionally uniform and far longer than two units. This is especially true of homes fronting collectors, against which a uniform streetscape is desirable, and other areas where such townhouse blocks are alley-loaded.

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All three of the Amendments discussed above would increase the expense of a project and likely reduce a developer or builder's ability to flexibly market housing product, which will certainly result in unreasonable costs and delay. ORS 197A.400(1)(b). The Planning Commission should therefore eliminate the proposed housing diversity standards and replace those standards with an incentive package.

d. Design standards for the NC zone would likely increase costs and make actual establishment of supportive commercial uses in Park Place less feasible.

ICON appreciates the acknowledgment that viable neighborhood-scale commercial uses are difficult to achieve in Park Place. ICON believes that the Planning Commission should focus on the goal of obtaining viable commercial uses in the NC, which goal is at odds with some of the NC design standards in the Amendments. These include the following:

- 17.24.040.I—This section adds considerable landscape requirements that restrict developable area and greatly increase cost, thereby diminishing marketability.
- 17.24.060.C.2—While it is commendable to add stormwater facilities serving adjoining residential zones as additional permitted uses, restricting to 0.5 square acres in size may be problematic for larger developments given the topographic requirements/constraints of the area and the need for larger facilities.
- 17.24.060.C.3—While it is commendable to add park land improvements as additional permitted uses, restricting to 0.75 acres in size is too restrictive.
- 17.24.060.F. – These design standards will make commercial development more expensive.

The Planning Commission should consider that each additional development standard it imposes comes with a cost, a cost that the owners of commercial spaces will pass onto tenants. Given the difficulty of so many businesses to maintain brick-and-mortar locations, even in buildings that are fully depreciated, it seems counterproductive to impose a host of new costly design standards that will make new, expensive commercial product even more expensive. This will reduce the chances that neighborhood commercial businesses will actually be able to use these commercial spaces.

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e. 17.62.061 and 16.08.043—Commercial development should not be required to pay a fee-in-lieu for parks.

Like all exactions, requirements to dedicate parkland or make a payment-in-lieu are subject to the taking clause of the 5th Amendment of the US Constitution. First, the City has the burden to show that there is an “essential nexus,” between the exaction and the impact of the associated project on the public infrastructure. *Nollan v. California Coastal Com.*, 483 US 825, 836-37 (1987). Second, the amount of exaction must be “roughly proportional” to that impact. *Dolan v. City of Tigard*, 512 US 374, 391-395 (1994). The U.S. Supreme Court has recently clarified that development fees, even if set forth in legislation, are subject to this analysis. *Sheetz v. El Dorado County*, 601 US ___, S. Ct. No. 22–1074, slip op at 7-20 (2024). It is the City’s burden to make an “individualized determination” of nexus and rough proportionality in the first instance, and it may not justify exactions as a constitutional matter simply because they have been legislated into existence.

The City has not demonstrated how commercial uses create a demand for parkland that would support a fee-in-lieu or dedication requirement. In particular, the City has not demonstrated a nexus between the construction of commercial uses and an impact on the City’s parkland. Therefore, any requirement to dedicate parkland for non-residential uses would be a taking and would entitle the property owner and/or developer to just compensation.

f. Required dedication of parks and trails is not supported by an adequate evidentiary base and would constitute unconstitutional takings as currently proposed.

As with the requirement for dedication of parkland as part of a non-residential project, the proposed requirements to dedicate parkland and trails lack an adequate factual base. That is, while it may be reasonable to assume that local residents will demand a certain amount of parkland, the proposed amendments do not appear to be supported by data proving the “rough proportionality” of development on the City’s parklands. Rather, the formula proposed by the City appears to be reverse-engineered to obtain the parkland and trails desired in the PPCP, which is not the same analysis needed for such a requirement to pass constitutional muster.

More troubling, though, is the proposed double-dipping of park and trail dedication/fee-in-lieu on the one hand, and parks SDCs on the other. Assuming that the parks SDCs are roughly proportional to the impact of the development of various types of residential units, adding onto that an area-specific dedication/fee-in-lieu requirement fails the rough-proportionality on its face. As noted above, while the Amendments would purport to adopt specific ratios for park and trail

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dedication requirements in Park Place, there is no evidence in the record to support those impact assumptions, which is a burden the City must bear prior to adopting the Amendments.

Finally, allowing SDC credits against dedication of parkland or trails for Park Place does not cure the constitutional problems with the proposed parks funding methodology. As a constitutional matter the City has the burden to show that the proposed requirements meet the *Nollan/Dolan* tests in the first instance; a developer or builder is not required to prove otherwise, which is exactly what the SDC credit system requires. In summary, ICON does not believe that the City can assess both a dedication/fee-in-lieu requirement and parks SDCs in Park Place; it must choose one or the other, and whichever it chooses must be constitutional.

3. Conclusion

ICON sincerely appreciates the Planning Commission's consideration of the above comments in this matter. As noted above, ICON needs additional time to review the particular zoning amendments to determine their potential takings, cost, and market impact, which are crucial to the success of Park Place. We hope that the Planning Commission will allow the requested one-month continuance to allow ICON to conduct that analysis.

Best regards,



Garrett H. Stephenson

GST:jmhi

cc: Ms. Carrie Richter (via email)
Mr. Peter J. Walter (via email)
Mr. Mark Handris (via email)
Mr. Harlan S. Borow, P.E. (via email)
Mr. Darren Gusdorf (via email)



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1980 Willamette Falls Dr. #200, West Linn OR 97068 503-657-0406

March 29th, 2019

Alley Load Development in Oregon City Concept Plan Areas – Chapter 16.12.026

Mayor Holladay and City Commissioners,

In an effort to demonstrate the adverse impacts of alley load development here in Oregon City, I visited all (9) existing alley load development projects here in town, and have included photographs and observations for you to review. If time allows before the upcoming April 3rd hearing, I ask that each of you to please visit these sites so you can see first-hand the design challenges and the end result of alley load development. These (9) existing alley load projects in Oregon City are:

- Sequoia Landing - Glen Oak Road and Coast Redwood Avenue.
- Sequoia Crossing - Glen Oak Road and Berge View Avenue.
- Meriwether - Thayer Road and Wynton Drive.
- Caufield Place - Caufield Road and Voyage Road.
- Dawn Meadows - Rose Road and Sprite Way.
- Filbert Run - Central Point Road and Hazelnut Avenue.
- Douglas Grove - Thayer Road and Blue Blossom Way.
- Maple Lane - Sugarpine Street and Whitehorse Court.
- Glen Oak Meadows - Mossy Meadow Drive Avenue and Brittany Terrace

As outlined in prior testimony, alley load development will drive up home prices. Building twice as many streets will impact the overall cost of development, it will increase lot costs accordingly, and the end user will see higher priced homes as a result. Beyond that, it is our firm belief that alley load development creates an inferior and less desirable product to the end user, when compared to standard/typical front load garages with functional rear yards. I'm hopeful the attached pictures and details will assist with you coming to the same conclusion.

In addition, the city is now proposing to place all future ownership and maintenance responsibilities affiliated with future alleys, directly in the hands of the future property owners and communities that adjoin alleys. This is in response to recent discussions between planning and public works, after public works voiced their concerns affiliated with alley load development within this city (constrained streets, more expense, more burden on the city requiring more streets to maintain, more burden to city storm, etc.). If this comes to fruition,

this will put the burden on the future homeowners to pay for all future maintenance of these "extra" streets. That forces HOA's, which is another deterrent of future homebuyers, and adds more cost that they must bear. Salt on the wound if you will. Not only will alley load drive up finished home prices, this newly proposed "solution" to who's going to pay for and maintain the alleys, just got worse. Let's create an inferior product, that costs more to the consumer, and then tax them on the alley load streets via an HOA. How does this help promote equitable housing? It achieves the opposite. Even more concerning is what condition these alleys will be in when maintenance is needed and necessary repairs are taken out of the hands of the city. Making an HOA the decision maker on when/if street maintenance is needed will be problematic. And what happens when an HOA dissolves or is disbanded, which is not uncommon after developers establish them and turn them over to the community?

This example is not intended to discredit any members of city staff in anyway. We greatly appreciate ALL members of OC's staff, in all departments. I'm just pointing out what we're experiencing more and more of lately, in nearly all of the jurisdictions that we work in. "Solutions" that don't solve the problem, and directly conflict with the goals and objectives of the equitable housing program. It's a pattern that we're seeing regularly, in which the proverbial can gets kicked down the road, through development, and onto the end user. This is a major factor that has led us to where we are today, with home prices continuing to rise. Increased development fees and costs, more construction standards, more development requirements, more planning restrictions, are ALL factors that drive up housing prices. Then we're asked why homes are so expensive to construct??? We're never going to achieve a realistic and obtainable approach to equitable housing until these issues are dealt with head on. Alley load development does not align with the demands of the consumer, nor will it in anyway, create opportunities to bring home prices down. The end result is what it is, home prices will continue to rise.

Again, we greatly appreciate your time and effort spent on reviewing the current code revisions and ensuring the final code adoptions align with the goals and objectives of the equitable housing program. We're hopeful you can see the negative impacts affiliated with alley load development. Not just from members of the development community, but from the views and prospective of the community in full, including the desires of neighboring property owners and future homebuyers in whole.

Sincerely,



Darren Gusdorf

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Stephenson, Garrett H.

From: Stephenson, Garrett H.
Sent: Monday, September 23, 2024 12:55 PM
To: Stephenson, Garrett H.
Subject: FW: OC Park Place Code

From: Darren Gusdorf <darren@iconconstruction.net>
Sent: Monday, September 23, 2024 11:00 AM
To: Harlan Borow <harlan@iconconstruction.net>; Stephenson, Garrett H. <GStephenson@SCHWABE.com>; Jennifer Arnold <jarnold@emeriodesign.com>
Cc: Mark Handris <mark@iconconstruction.net>
Subject: RE: OC Park Place Code

As discussed, I'm sending some bullet points regarding the cost implementations related to detached garage construction and alley development construction.

Detached Garages:

At a minimum, detached garages will add 20% to the build cost of a SFD. Anytime you separate the structure independently from the home, the cost climbs up substantially. Detaching structures away from the building envelope, triggers additional:

- Excavation
- Subgrade infrastructure (gas, power...)
- All shell construction, that would normally be built within the building envelope, are all triggered:
 - o Foundations
 - o Framing
 - o Trusses
 - o Insulation
 - o Windows
 - o Siding
 - o Roofing
- Extension of driveways
- More impervious area needing to treat

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January 23rd, 2019

Mayor Holladay and City Commissioners:

I'm writing to you in response to staff and city commission discussions that took place at the January 16th hearing, related to the removal of OCMC chapters 17.21 and 17.22, that outline the Park Place and South End design requirements. I'm reaching out to you in hopes to shed some perspective directly from a local home building company, that has had a strong presence in Oregon City for the past 20 years. Icon is heavily vested in Oregon City; past, present and future, and shares the same goals outlined in the current code reform currently before you today.

As you know, the main emphasis of revamping the development sections within the OCMC, is to inject a variety of different affordable housing products into Oregon City's market. We applaud the work performed by city staff, the appointed task force, the planning commission, and others who have vested many hours into bringing their ideas, goals, and objectives forward. We see good opportunities to come, and are excited and eager to venture together with the city, as partners, to implement this vision. I use the word partnership, because it's a critical component, needed to achieve the goals set forth within this equitable housing program. Without the community, city staff, planning commission, city council, land developers, home builders and future home buyers working together cohesively to create a platform suitable and obtainable by all parties, this program will not thrive, nor will it ever come to fruition. Without fairness and balance, it goes nowhere.

The current adopted design standards, defined in chapter 17.14, already require an abundant amount of design requirements for ALL residential construction in Oregon City. Oregon City planning and city staff, have already done a fantastic job of injecting historical design requirements for new construction in this city that all builders must adhere to. As written within chapter 17.14, builders must include a minimum of 5 and as many as 14 design standards into their building design. These standards require selecting from the list below:

- *Dormers, which are projecting structures built out from a sloping roof housing a vertical window.*
- *The roof design must utilize either a gable or hip roof system.*
- *The building facade includes two or more offsets of 16-inches or greater.*

- *A roof overhang of 16-inches or greater.*
- *A recessed entry that is at least 2-feet behind the furthest forward living space on the ground floor, and a minimum of 8-feet wide.*
- *A minimum sixty 60 square-foot covered front porch that is at least five 5 feet deep OR a minimum forty 40 square-foot covered porch with railings that is at least five 5 feet deep AND be elevated entirely a minimum of eighteen 18-inches.*
- *A bay window that extends a minimum of twelve 12-inches outward from the main wall of a building and forming a bay or alcove in a room within.*
- *Windows and main entrance doors that occupy a minimum of fifteen 15 percent of the lineal length of the front facade (not including the roof and excluding any windows in a garage door).*
- *Window trim (minimum four 4-inches).*
- *Window grids on all street facing windows (excluding any windows in the garage door or front door).*
- *Windows on all elevations include a minimum of four 4-inch trim.*
- *Windows on all of the elevations are wood, clad wood, or fiberglass.*
- *Windows on all of the elevations are recessed a minimum of two 2 inches from the facade.*
- *A balcony that projects a minimum of one foot from the wall of the building and is enclosed by a railing or parapet.*
- *Shakes, shingles, brick, stone or other similar decorative materials shall occupy a minimum of sixty 60 square feet of the street facade.*
- *All garage doors are a maximum nine 9-feet wide.*
- *All garage doors wider than nine 9-feet are designed to resemble two 2 smaller garage doors.*
- *There are a minimum of two 2 windows in each garage door.*
- *A third garage door is recessed a minimum of two 2 feet.*
- *A window over the garage door that is a minimum of twelve 12 square feet with window trim (minimum four 4-inches).*
- *There is no attached garage onsite.*
- *The living space of the dwelling is within five 5 feet of the front yard setback; or the driveway is composed entirely of pervious pavers or porous pavement.*

We're not refuting or objecting to any of these existing design requirements. Although it did take some time for our building team to learn these, and implement them correctly within our building product, we worked with the city to understand them and have designed our homes to ensure they conform. We understand the significance and respect the goals and objectives set forth within these standards that are required in Oregon City. As written, they heavily target the implementation of historic elements and they also reduce garage massing by requiring more elements when street facing garage facades increase in size. The objectives set forth in the Park Place and South End concepts plans are already easily met by adhering to the current code criteria set forth in chapter 17.14.

Chapters 17.21 and 17.22 reach far beyond the standards set forth in chapter 17.14 by requiring very rigid and specific requirements that dictate a single style of architectural design; historic only. Not only do these standards drive up the costs of construction, they

drastically limit what type/style of product can be built. This code forces a style of architecture that is desired by very few, which will have a HUGE impact on the marketability of these homes. We are mindful and respectful of the historic significance and influence within Oregon City's architecture, and we understand the importance of it when it is applicable. We are very proud of the work that we did to fully restore the Mathew McCarver house, in which we preserved all of the historic construction elements (roofing, siding, structure/bones, windows, doors, hardwoods, hardware, etc.), in conjunction with a full renovation and restoration of this home. Bringing this boarded up and forgotten about treasure back to life in 2007 was very challenging, but also extremely rewarding (I've included some before and after pictures reflecting the work that was done, for your interest only). The point being, We DO appreciate and respect the history and true era architecture in this city, but it needs to make sense and be appropriate and proportionate to the overall goals of the city, community, home builders and future homeowners. Rick Givens provided testimony in his January 14th letter to the city commission that referenced our McCarver Landing development and the requirement that the newly constructed homes, surrounding the McCarver house, had to be constructed in a Vernacular architecture form, to match that of the McCarver home. We didn't object to this requirement, as we understood the significance of these homes abutting the McCarver home. We understood the concept of blending historic construction with new construction in this development, and we followed the guidelines set forth within the conditions of this development that we agreed to. During the 1-16-19 hearing, one of the commissioners stated that we should understand and respect the significance of these requirements. I want to state clearly that we did then and still do today.

Unfortunately, our point that was highlighted in Rick Given's letter, was misconstrued. We were merely trying to emphasize that we've gone down this road before, following specific historical home architecture designs as dictated on just a few of our homes in McCarver Landing, and this was received very poorly by the general public. We learned very quickly, that mimicking historical era construction, is not in high demand. The absorption rate was extremely low, and the homes had to be discounted drastically to instigate sales. One commissioner at the 1-16-19 hearing stated, "look at these homes now, they are occupied, eventually they sold." This is not a model that any builder should be burdened to follow nor does it offer Oregon City home buyers any variety or flexibility with the architecture designs and styles that they desire and can chose from. Forcing builders and home owners to construct homes that don't appease the majority of the public, directly conflicts with the spirit of this equitable housing program. These two code sections offer no flexibility of any kind, and they blanket two very large areas in Oregon City, that will soon house thousands of single-family dwelling units. Requiring "historic only" design and architecture into these areas is a recipe for disaster, and the McCarver Landing example was only used to illustrate our experience with this before, and at a much smaller scale. The required style of architecture completely prohibits home builders any opportunity to conform to market demand. Dictating historical homes throughout ALL development in these planned areas, prohibits any ability to conform to the community's wants and needs. Historical era construction only, is simply far too much to require in these two very large concept areas. I've included the sample pictures (inserted directly from the code sections themselves) that reflect the required styles of

architecture per sections 17.21 and 17.22, as well as a picture of a vernacular home that was required and constructed in McCarver Landing for you to reference.

In addition, and what was discussed very little at the 1-16-19 hearing, are the garage requirements found within the Park Place concept chapter 17.21. This chapter requires **NO** front load garages. Only side load, rear load, detached, or NO garages are allowed. Not only do these standards drive up costs of development and home construction, they are not practical or even obtainable within the diverse zoning districts in these two concept areas. I'll explain each of these garage options below in hopes to provide some insight as to why these standards would be extremely problematic:

Side entry garages, unless on a corner lot, require a minimum of 40' side yard for driveway access and vehicle maneuverability. This width is needed alongside a home so that vehicles can appropriately enter the garage. That's not feasible on any lots that aren't corner oriented. Taking 40' of width out of a lot for driveway/access, leaves no room for a home to fit within the remaining buildable envelope. Unless you have a lot width of at least 90'+, this simply does not work. The comp plan for Park Place consists of a variety of different blended zonings. Sideload garage orientations will not be feasible in high, medium, and most low-density zones. These simply do not work.

For similar reasons above, detached garages are not feasible in most zones, simply because there is not enough room on building lots to get them to work. It's very challenging to create lots that will conform to what is needed to make rear load garages possible. This configuration requires a minimum of 20' clear space for a driveway along the home and property line, which again diminishes the remaining buildable area for homes to fit. This configuration also requires a much deeper lot to create room in the back of the property for a garage, within the setbacks, and with ample clearance and separation between it and the home. This requires deeper lots which reduces widths to meet lot size area. This absolutely does not work in medium, high, and most low density zoning districts. Beyond that, and even if this configuration could work, this requirement still creates another hardship on the property, builder and home owner, as the general public does not want a garage detached from their home. We live in a rainy climate here in Oregon. Homeowners do not want to walk through the elements from their garage to their home. Detached garages are not sought after by the general public.

We've had experience with rear entry garages in Oregon City. These require alleys, which doubles the quantity of roads within a development, further driving up development and final lot costs. Beyond being more expensive to develop, alley projects create more impervious area, which create further hardships pertaining to storm water management, and they are a poor use of land as a resource (by creating more roads and hardscapes vs. planted green areas). In the end, homeowners are left with little to no rear yards. Oregon City homebuyers want rear yards. They often have kids, pets, or simply want to enjoy privacy within their fenced-in rear property. What little room that is left from rear yard loaded garages, can't be fenced and adhere to vision requirements, and these homes are left with little to no usable yard area. This is another product, that we have had experience constructing, that is not sought after by the consumer.

So, after the above configurations are explored and deemed not physically or economically feasible by the developer and home builder, and not desired by the general public, the last option is to construct a home with NO garage. That's a non-starter. People want garages. They drive cars. They store things. Garages are an amenity and staple in today's homes that homeowners are not willing to give up. So, the "no garage" option, is simply not an option in a single-family residential district. Apartments, sure, but not when constructing single family detached residential homes. If a builder is forced to build a home without a garage, he/she better plan on using it for a rental. It will never sell as there is little to no market for homes without garages.

We are very hopeful that you will see the magnitude of development challenges, added costs, diminished home values, and the burden and hardship that these two chapters will place on developers, builders and future homeowners in these two concept areas, if chapters 17.21 and 17.22 aren't removed from the OCMC. I say again, successful development requires a collective partnership with all parties involved. If it becomes unbalanced, the equitable housing program will be unsuccessful in these concept areas. Chapters 17.21 and 17.22 completely conflict with the objectives and goals outlined within this program, and the impact is severe when blanketing these two areas and thousands of future home sites with these very strict and specific requirements.

I appreciate your time and consideration to all parties impacted, while you and city staff continue discussing the removal of chapters 17.21 and 17.22. Other members from the building and development community will continue attending and speaking at each of the upcoming hearings. I will be attending all upcoming hearings, and would be more than happy answering any questions related to this letter and the current round of code reform if asked to come forward for further testimony.

Sincerely,



Darren Gusdorf

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Required styles of architecture per OCMC chapters 17.21 and 17.22



Western Farmhouse/Vernacular



Bungalow (Craftsman)



Foursquare



Queen Anne Vernacular

**SAMPLES ABOVE ARE CUT & PASTED
FROM CODE SECTIONS 17.21 AND 17.22**

*****Note Historic Era Architecture with
no garages.**

Vernacular Style as Required and Constructed in McCarver Landing





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March 20th, 2019

Park Place and South End Concept Plans

Mayor Holladay and City Commissioners,

After reading through the final adopted Park Place concept plan, it's very clear that there are significant deviations between it and the correlating chapters of code that were derived from it. OCMC 17.21 (Existing Code Implementation of the Park Place Concept Plan) and OCMC 16.12.026 (Proposed code section that would require ALL alley load development in medium zones within both Park Place and South End concept areas), do not correctly implement the goals, objectives, and directives outlined in the final/adopted Park Place concept plan. These chapters of code, and the sole purpose of these code sections themselves, must adhere and align with the goals and objectives outlined and defined within the adopted concept plan, and they do not. The "historic only" home construction requirements found in section 17.21, the alley load requirement found in section 16.12.026, and the NO front load garage requirement found in chapter 17.21, directly conflict, and would achieve the opposite of what was approved and adopted in the Park Place concept plan. For the reasons explained below, we urge the City Commission to modify Chapters 17.21, 17.22, and 16.12.026, to align with the goals and objectives outlined within the Park Place and South End concept plans. This can be accomplished by leaving the existing concept plans intact, with minor modifications to each of these applicable sections of code.

Park Place Concept Plan - Goals, Objectives, and Implementation, as outlined within:

The concept planning process for Park Place began in 2006 and was adopted by the City Commission in 2007. The plan objectives, core values, and community design, was written very clearly and these visions were highlighted and repeated consistently throughout this final adopted plan. Quoting multiple sections from the Park Place concept plan, this is what is written within:

"We value a choice of housing types, densities, and price ranges" – page 8

“We value a transportation system that limits congestion without overbuilding roads” – page 9

“Create a mix of housing types that include ranges of affordability, developing a variety of housing types and sizes” – page 23

“A variety of housing sizes and types attract a mixture of ages, incomes, family structures and lifestyles to help create a richer, more diverse community.” – page 27

“Single family houses can be a range of sizes, styles, and colors.” – page 27

“Each street is carefully sized to carry the expected travel demand it is intended to serve while minimizing the impact of unnecessary impervious surface.” – page 36

“In general, it is recommended that the City incorporate Best Management Practices including reducing paved, impermeable surfaces.” – page 56

“Concept plans must address the following elements: Housing (density, diversity, affordability). – page 59

“The Park Place Concept Plan strives to provide the Park Place plan area with development flexibility, and housing choices...” – page 59

“Support architectural integrity and variety in residential and mixed-use neighborhoods.” – page 62

“Create design standards for Park Place in order to ensure diverse, compact, attractive, and community-oriented residential development.” – page 62

“Consider developing and adopting architectural variety requirements for subdivision development.” – page 63

“Create flexibility in development standards to allow for alternative housing types.” – page 63

Chapter 17.21 – Park Place Code Adopted and Implemented:

“Historic Only” Requirement – Sub sections 17.21.010 and 17.21.020

Chapter 17.21 must adhere and align with the goals and objectives outlined within the adopted concept plan, and as currently written, it does not. In NO portion of the adopted concept plan, is there any mention of homes needing to be, or desired to be “historic only.” This is not a goal/objective listed anywhere within this document, nor is there any historic significance in this area, being the majority of homes surrounding Park Place were constructed between the 1960’s and 1980’s (data found on page 11 of the Park Place concept plan). The contrary is stated repeatedly and throughout the concept plan, outlining the desires, goals, and objectives that seek and require a variety of housing

types, styles, and a mix of architectural design, as demonstrated in the quoted sections above. Sub sections 17.21.010 and 17.21.020 clearly require “historic only” design and architecture. As written, builders and homeowners can only construct Queen Anne, Bungalow, Foursquare, or Vernacular Farmhouses. This code requirement, as outlined in these sections of 17.21, directly conflicts with the goals and objectives adopted in the concept plan, by restricting home design and architecture to a specific type of construction. The “historic only” requirement, written in chapter 17.21, needs to be removed completely in order to align with the final adopted Park Place concept plan.

“No Front Load Garage” Requirement – Sub section 17.21.090

In NO portion of the final adopted Park Place concept plan is there any mention that single-family detached residences will be required or desired to adhere to “NO front load garages OR alley load only.” As demonstrated in the quoted sections above, the contrary is stated repeatedly throughout the concept plan, outlining the desires, goals, and objectives that seek green street design, minimal impervious streets, and the desire NOT to overbuild roads. The only reference to alley load development, in the entire Park Place concept plan, is listed on page 27, which states, “*Multi-family housing: Vehicle access is provided in the rear and with alleys*” which is affiliated with multi-family only, and not applicable to single-family detached homes. Again, there is a direct conflict and huge disconnect between the final adopted concept plan and Chapter 17.21, as written. In respect to single-family detached development, the “NO front load garage” requirement, as written in chapter 17.21, needs to be removed completely in order to align with the final adopted Park Place concept plan. In addition, and for the same reasons explained above, newly proposed Chapter 16.12.026, requiring alley load development throughout ALL medium zones in the Park Place area, needs to be removed completely in order to align with the final adopted Park Place Concept plan.

“Raised and skirted” front porch requirement – Sub section 17.21.050

Subsection 17.21.050, requires elevated and skirted front porches. Like above, this requirement is not listed or mentioned in the Park Place Concept Plan as a goal, objective or directive. In addition, and most importantly, this current required design standard will result in unnecessary steps at the main entry points of all homes that would be burdened with this requirement, making ADA access at all front entries impossible to meet. For these reasons, we urge the City Commission to remove this requirement from chapter 17.21

South End Concept Plan - Goals, Objectives, and Implementation, as outlined within:

The concept planning process for South End began in 2013 and was adopted by the City Commission in 2015. Code section 17.22 (Existing Code Implementation of the South End Concept Plan) does appear to align closely to the adopted concept plan. In it, and unlike the Park Place Concept plan, there is mention of a desire for some alley load development, and the implementation of historic influenced design standards. Chapter 17.22 does NOT require “historic only” architecture, nor does it require NO front load garages. Unlike chapter 17.21 (implementation of Park Place concept plan), the

requirements in Chapter 17.22 DO appear to align with the goals and objectives of the South End concept plan.

“Raised and skirted” front porch requirement – Sub section 17.22.050

Subsection 17.22.050, requires elevated and skirted front porches. Like above, this requirement is not listed or mentioned in the South End concept plan as a goal, objective or directive. As mentioned above, and for the same reasons affiliated with ADA compatibility, we urge the City Commission to remove this requirement from chapter 17.22.

For the reasons outlined above, we ask the City Commission amend Chapters 17.21, 17.22 and 16.12.026 to:

- Remove the “historic only” requirement from Park Place chapter 17.21
- Remove the “NO front load garage” requirement from Park Place chapter 17.21
- Remove the “alley load” requirement, affiliated with single-family detached in Park Place from chapter 16.12.026
- Remove the “raised and skirted” front porch requirement from chapters 17.21 and 17.22

If for any reason the City Commission is not comfortable making these code amendments, we ask that you please remand both Park Place and South End concept plans back to city staff and the Oregon City Planning Commission so they can revise the affiliated chapters of code to adhere and align with the goals and objectives set forth in both of these final adopted concept plans, AND to ensure they align with the goals and objectives outlined within the equitable housing platform.

We greatly appreciate your help in ensuring chapters 17.21, 17.22 and 16.12.026 are correctly written and implemented, so they align with what was adopted in the final concept plans. It is clear that the current and proposed code amendments, in the above referenced chapters, do not align with the goals, objectives, directives, and spirit of the equitable housing program nor do they adhere to what was clearly defined in the final adopted concept plans.

Sincerely,



Darren Gusdorf

General Manager - Commercial & Residential Division
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darren@iconconstruction.net

September 23, 2024

VIA E-MAIL

Greg Stohl, Chair
Planning Commission
City of Oregon City
625 Center Street
Oregon City, OR 97045
cc: Aquilla Hurd-Ravich, Community Development Director

RE: Oregon City Park Place Concept Plan Code Amendments (Legislative File GLUA 24-013/LEG-24-01)

Dear Chair Greg Stohl,

Emerio Design works with Icon Construction and Development (ICON) for land use and civil engineering needs. I am writing in response to the proposed code amendments proposed in the Park Place Concept Area as ICON is directly impacted by these proposed amendments.

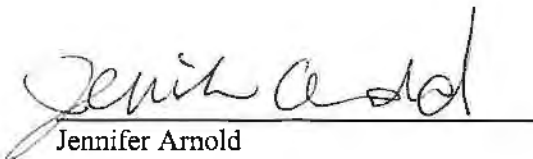
ICON has previously testified to express concerns regarding proposed code amendments in this area but were told it was not the proper venue for such testimony. I believe now is the time to formally introduce the 2019 testimony submitted by ICON for the record as the comments and concerns are still relevant. You will find this testimony in Exhibit A attached to this letter.

The proposed amendments to the design standards are concerning as the cost of development is significantly increased and ultimately passed down to the homebuyer. Exhibit B attached to this testimony is a stamped letter from an engineer providing an overview of the development costs specifically related to alley load requirements and garage orientation. Additionally, these changes for alley loading or detached garages will significantly impact the overall stormwater design. The increased impervious surface created will necessitate the need for larger and more water quality facilities. This appears to conflict with the intent of proposed design changes.

Due to the amount of information submitted from the community and published by the City, I respectfully request the Planning Commission continue this hearing to a date certain.

If you have any questions, please feel free to contact our office at 503-746-8812.

Respectfully,
Emerio Design LLC



Jennifer Arnold
Project Manager/Planning Department Manager & Director of Operations (Eugene)

Exhibit A



CCB#150499

1980 Willamette Falls Dr. #200, West Linn OR 97068 503-657-0406

January 23rd, 2019

Mayor Holladay and City Commissioners:

I'm writing to you in response to staff and city commission discussions that took place at the January 16th hearing, related to the removal of OCMC chapters 17.21 and 17.22, that outline the Park Place and South End design requirements. I'm reaching out to you in hopes to shed some perspective directly from a local home building company, that has had a strong presence in Oregon City for the past 20 years. Icon is heavily vested in Oregon City; past, present and future, and shares the same goals outlined in the current code reform currently before you today.

As you know, the main emphasis of revamping the development sections within the OCMC, is to inject a variety of different affordable housing products into Oregon City's market. We applaud the work performed by city staff, the appointed task force, the planning commission, and others who have vested many hours into bringing their ideas, goals, and objectives forward. We see good opportunities to come, and are excited and eager to venture together with the city, as partners, to implement this vision. I use the word partnership, because it's a critical component, needed to achieve the goals set forth within this equitable housing program. Without the community, city staff, planning commission, city council, land developers, home builders and future home buyers working together cohesively to create a platform suitable and obtainable by all parties, this program will not thrive, nor will it ever come to fruition. Without fairness and balance, it goes nowhere.

The current adopted design standards, defined in chapter 17.14, already require an abundant amount of design requirements for ALL residential construction in Oregon City. Oregon City planning and city staff, have already done a fantastic job of injecting historical design requirements for new construction in this city that all builders must adhere to. As written within chapter 17.14, builders must include a minimum of 5 and as many as 14 design standards into their building design. These standards require selecting from the list below:

- *Dormers, which are projecting structures built out from a sloping roof housing a vertical window.*
- *The roof design must utilize either a gable or hip roof system.*
- *The building facade includes two or more offsets of 16-inches or greater.*

- *A roof overhang of 16-inches or greater.*
- *A recessed entry that is at least 2-feet behind the furthest forward living space on the ground floor, and a minimum of 8-feet wide.*
- *A minimum sixty 60 square-foot covered front porch that is at least five 5 feet deep OR a minimum forty 40 square-foot covered porch with railings that is at least five 5 feet deep AND be elevated entirely a minimum of eighteen 18-inches.*
- *A bay window that extends a minimum of twelve 12-inches outward from the main wall of a building and forming a bay or alcove in a room within.*
- *Windows and main entrance doors that occupy a minimum of fifteen 15 percent of the lineal length of the front facade (not including the roof and excluding any windows in a garage door).*
- *Window trim (minimum four 4-inches).*
- *Window grids on all street facing windows (excluding any windows in the garage door or front door).*
- *Windows on all elevations include a minimum of four 4-inch trim.*
- *Windows on all of the elevations are wood, clad wood, or fiberglass.*
- *Windows on all of the elevations are recessed a minimum of two 2 inches from the facade.*
- *A balcony that projects a minimum of one foot from the wall of the building and is enclosed by a railing or parapet.*
- *Shakes, shingles, brick, stone or other similar decorative materials shall occupy a minimum of sixty 60 square feet of the street facade.*
- *All garage doors are a maximum nine 9-feet wide.*
- *All garage doors wider than nine 9-feet are designed to resemble two 2 smaller garage doors.*
- *There are a minimum of two 2 windows in each garage door.*
- *A third garage door is recessed a minimum of two 2 feet.*
- *A window over the garage door that is a minimum of twelve 12 square feet with window trim (minimum four 4-inches).*
- *There is no attached garage onsite.*
- *The living space of the dwelling is within five 5 feet of the front yard setback; or the driveway is composed entirely of pervious pavers or porous pavement.*

We're not refuting or objecting to any of these existing design requirements. Although it did take some time for our building team to learn these, and implement them correctly within our building product, we worked with the city to understand them and have designed our homes to ensure they conform. We understand the significance and respect the goals and objectives set forth within these standards that are required in Oregon City. As written, they heavily target the implementation of historic elements and they also reduce garage massing by requiring more elements when street facing garage facades increase in size. The objectives set forth in the Park Place and South End concepts plans are already easily met by adhering to the current code criteria set forth in chapter 17.14.

Chapters 17.21 and 17.22 reach far beyond the standards set forth in chapter 17.14 by requiring very rigid and specific requirements that dictate a single style of architectural design; historic only. Not only do these standards drive up the costs of construction, they

drastically limit what type/style of product can be built. This code forces a style of architecture that is desired by very few, which will have a HUGE impact on the marketability of these homes. We are mindful and respectful of the historic significance and influence within Oregon City's architecture, and we understand the importance of it when it is applicable. We are very proud of the work that we did to fully restore the Mathew McCarver house, in which we preserved all of the historic construction elements (roofing, siding, structure/bones, windows, doors, hardwoods, hardware, etc.), in conjunction with a full renovation and restoration of this home. Bringing this boarded up and forgotten about treasure back to life in 2007 was very challenging, but also extremely rewarding (I've included some before and after pictures reflecting the work that was done, for your interest only). The point being, We DO appreciate and respect the history and true era architecture in this city, but it needs to make sense and be appropriate and proportionate to the overall goals of the city, community, home builders and future homeowners. Rick Givens provided testimony in his January 14th letter to the city commission that referenced our McCarver Landing development and the requirement that the newly constructed homes, surrounding the McCarver house, had to be constructed in a Vernacular architecture form, to match that of the McCarver home. We didn't object to this requirement, as we understood the significance of these homes abutting the McCarver home. We understood the concept of blending historic construction with new construction in this development, and we followed the guidelines set forth within the conditions of this development that we agreed to. During the 1-16-19 hearing, one of the commissioners stated that we should understand and respect the significance of these requirements. I want to state clearly that we did then and still do today.

Unfortunately, our point that was highlighted in Rick Given's letter, was misconstrued. We were merely trying to emphasize that we've gone down this road before, following specific historical home architecture designs as dictated on just a few of our homes in McCarver Landing, and this was received very poorly by the general public. We learned very quickly, that mimicking historical era construction, is not in high demand. The absorption rate was extremely low, and the homes had to be discounted drastically to instigate sales. One commissioner at the 1-16-19 hearing stated, "look at these homes now, they are occupied, eventually they sold." This is not a model that any builder should be burdened to follow nor does it offer Oregon City home buyers any variety or flexibility with the architecture designs and styles that they desire and can chose from. Forcing builders and home owners to construct homes that don't appease the majority of the public, directly conflicts with the spirit of this equitable housing program. These two code sections offer no flexibility of any kind, and they blanket two very large areas in Oregon City, that will soon house thousands of single-family dwelling units. Requiring "historic only" design and architecture into these areas is a recipe for disaster, and the McCarver Landing example was only used to illustrate our experience with this before, and at a much smaller scale. The required style of architecture completely prohibits home builders any opportunity to conform to market demand. Dictating historical homes throughout ALL development in these planned areas, prohibits any ability to conform to the community's wants and needs. Historical era construction only, is simply far too much to require in these two very large concept areas. I've included the sample pictures (inserted directly from the code sections themselves) that reflect the required styles of

architecture per sections 17.21 and 17.22, as well as a picture of a vernacular home that was required and constructed in McCarver Landing for you to reference.

In addition, and what was discussed very little at the 1-16-19 hearing, are the garage requirements found within the Park Place concept chapter 17.21. This chapter requires **NO** front load garages. Only side load, rear load, detached, or NO garages are allowed. Not only do these standards drive up costs of development and home construction, they are not practical or even obtainable within the diverse zoning districts in these two concept areas. I'll explain each of these garage options below in hopes to provide some insight as to why these standards would be extremely problematic:

Side entry garages, unless on a corner lot, require a minimum of 40' side yard for driveway access and vehicle maneuverability. This width is needed alongside a home so that vehicles can appropriately enter the garage. That's not feasible on any lots that aren't corner oriented. Taking 40' of width out of a lot for driveway/access, leaves no room for a home to fit within the remaining buildable envelope. Unless you have a lot width of at least 90'+, this simply does not work. The comp plan for Park Place consists of a variety of different blended zonings. Sideload garage orientations will not be feasible in high, medium, and most low-density zones. These simply do not work.

For similar reasons above, detached garages are not feasible in most zones, simply because there is not enough room on building lots to get them to work. It's very challenging to create lots that will conform to what is needed to make rear load garages possible. This configuration requires a minimum of 20' clear space for a driveway along the home and property line, which again diminishes the remaining buildable area for homes to fit. This configuration also requires a much deeper lot to create room in the back of the property for a garage, within the setbacks, and with ample clearance and separation between it and the home. This requires deeper lots which reduces widths to meet lot size area. This absolutely does not work in medium, high, and most low density zoning districts. Beyond that, and even if this configuration could work, this requirement still creates another hardship on the property, builder and home owner, as the general public does not want a garage detached from their home. We live in a rainy climate here in Oregon. Homeowners do not want to walk through the elements from their garage to their home. Detached garages are not sought after by the general public.

We've had experience with rear entry garages in Oregon City. These require alleys, which doubles the quantity of roads within a development, further driving up development and final lot costs. Beyond being more expensive to develop, alley projects create more impervious area, which create further hardships pertaining to storm water management, and they are a poor use of land as a resource (by creating more roads and hardscapes vs. planted green areas). In the end, homeowners are left with little to no rear yards. Oregon City homebuyers want rear yards. They often have kids, pets, or simply want to enjoy privacy within their fenced-in rear property. What little room that is left from rear yard loaded garages, can't be fenced and adhere to vision requirements, and these homes are left with little to no usable yard area. This is another product, that we have had experience constructing, that is not sought after by the consumer.

So, after the above configurations are explored and deemed not physically or economically feasible by the developer and home builder, and not desired by the general public, the last option is to construct a home with NO garage. That's a non-starter. People want garages. They drive cars. They store things. Garages are an amenity and staple in today's homes that homeowners are not willing to give up. So, the "no garage" option, is simply not an option in a single-family residential district. Apartments, sure, but not when constructing single family detached residential homes. If a builder is forced to build a home without a garage, he/she better plan on using it for a rental. It will never sell as there is little to no market for homes without garages.

We are very hopeful that you will see the magnitude of development challenges, added costs, diminished home values, and the burden and hardship that these two chapters will place on developers, builders and future homeowners in these two concept areas, if chapters 17.21 and 17.22 aren't removed from the OCMC. I say again, successful development requires a collective partnership with all parties involved. If it becomes unbalanced, the equitable housing program will be unsuccessful in these concept areas. Chapters 17.21 and 17.22 completely conflict with the objectives and goals outlined within this program, and the impact is severe when blanketing these two areas and thousands of future home sites with these very strict and specific requirements.

I appreciate your time and consideration to all parties impacted, while you and city staff continue discussing the removal of chapters 17.21 and 17.22. Other members from the building and development community will continue attending and speaking at each of the upcoming hearings. I will be attending all upcoming hearings, and would be more than happy answering any questions related to this letter and the current round of code reform if asked to come forward for further testimony.

Sincerely,



Darren Gusdorf

General Manager - Commercial & Residential Division
ICON Construction & Development, LLC #150499
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503.657.0406 office | 503.655.5991 fax
darren@iconconstruction.net

Required styles of architecture per OCMC chapters 17.21 and 17.22



Western Farmhouse Vernacular



Bungalow (Craftsman)



Foursquare



Queen Anne Vernacular

SAMPLES ABOVE ARE CUT & PASTED
FROM CODE SECTIONS 17.21 AND 17.22

***Note Historic Era Architecture with
no garages.

Vernacular Style as Required and Constructed in McCarver Landing





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1980 Willamette Falls Dr. #200, West Linn OR 97068 503-657-0406

March 20th, 2019

Park Place and South End Concept Plans

Mayor Holladay and City Commissioners,

After reading through the final adopted Park Place concept plan, it's very clear that there are significant deviations between it and the correlating chapters of code that were derived from it. OCMC 17.21 (Existing Code Implementation of the Park Place Concept Plan) and OCMC 16.12.026 (Proposed code section that would require ALL alley load development in medium zones within both Park Place and South End concept areas), do not correctly implement the goals, objectives, and directives outlined in the final/adopted Park Place concept plan. These chapters of code, and the sole purpose of these code sections themselves, must adhere and align with the goals and objectives outlined and defined within the adopted concept plan, and they do not. The "historic only" home construction requirements found in section 17.21, the alley load requirement found in section 16.12.026, and the NO front load garage requirement found in chapter 17.21, directly conflict, and would achieve the opposite of what was approved and adopted in the Park Place concept plan. For the reasons explained below, we urge the City Commission to modify Chapters 17.21, 17.22, and 16.12.026, to align with the goals and objectives outlined within the Park Place and South End concept plans. This can be accomplished by leaving the existing concept plans intact, with minor modifications to each of these applicable sections of code.

Park Place Concept Plan - Goals, Objectives, and Implementation, as outlined within:

The concept planning process for Park Place began in 2006 and was adopted by the City Commission in 2007. The plan objectives, core values, and community design, was written very clearly and these visions were highlighted and repeated consistently throughout this final adopted plan. Quoting multiple sections from the Park Place concept plan, this is what is written within:

"We value a choice of housing types, densities, and price ranges" – page 8

“We value a transportation system that limits congestion without overbuilding roads” – page 9

“Create a mix of housing types that include ranges of affordability, developing a variety of housing types and sizes” – page 23

“A variety of housing sizes and types attract a mixture of ages, incomes, family structures and lifestyles to help create a richer, more diverse community.” – page 27

“Single family houses can be a range of sizes, styles, and colors.” – page 27

“Each street is carefully sized to carry the expected travel demand it is intended to serve while minimizing the impact of unnecessary impervious surface.” – page 36

“In general, it is recommended that the City incorporate Best Management Practices including reducing paved, impermeable surfaces.” – page 56

“Concept plans must address the following elements: Housing (density, diversity, affordability). – page 59

“The Park Place Concept Plan strives to provide the Park Place plan area with development flexibility, and housing choices...” – page 59

“Support architectural integrity and variety in residential and mixed-use neighborhoods.” – page 62

“Create design standards for Park Place in order to ensure diverse, compact, attractive, and community-oriented residential development.” – page 62

“Consider developing and adopting architectural variety requirements for subdivision development.” – page 63

“Create flexibility in development standards to allow for alternative housing types.” – page 63

Chapter 17.21 – Park Place Code Adopted and Implemented:

“Historic Only” Requirement – Sub sections 17.21.010 and 17.21.020

Chapter 17.21 must adhere and align with the goals and objectives outlined within the adopted concept plan, and as currently written, it does not. In NO portion of the adopted concept plan, is there any mention of homes needing to be, or desired to be “historic only.” This is not a goal/objective listed anywhere within this document, nor is there any historic significance in this area, being the majority of homes surrounding Park Place were constructed between the 1960’s and 1980’s (data found on page 11 of the Park Place concept plan). The contrary is stated repeatedly and throughout the concept plan, outlining the desires, goals, and objectives that seek and require a variety of housing

types, styles, and a mix of architectural design, as demonstrated in the quoted sections above. Sub sections 17.21.010 and 17.21.020 clearly require “historic only” design and architecture. As written, builders and homeowners can only construct Queen Anne, Bungalow, Foursquare, or Vernacular Farmhouses. This code requirement, as outlined in these sections of 17.21, directly conflicts with the goals and objectives adopted in the concept plan, by restricting home design and architecture to a specific type of construction. The “historic only” requirement, written in chapter 17.21, needs to be removed completely in order to align with the final adopted Park Place concept plan.

“No Front Load Garage” Requirement – Sub section 17.21.090

In NO portion of the final adopted Park Place concept plan is there any mention that single-family detached residences will be required or desired to adhere to “NO front load garages OR alley load only.” As demonstrated in the quoted sections above, the contrary is stated repeatedly throughout the concept plan, outlining the desires, goals, and objectives that seek green street design, minimal impervious streets, and the desire NOT to overbuild roads. The only reference to alley load development, in the entire Park Place concept plan, is listed on page 27, which states, “*Multi-family housing: Vehicle access is provided in the rear and with alleys*” which is affiliated with multi-family only, and not applicable to single-family detached homes. Again, there is a direct conflict and huge disconnect between the final adopted concept plan and Chapter 17.21, as written. In respect to single-family detached development, the “NO front load garage” requirement, as written in chapter 17.21, needs to be removed completely in order to align with the final adopted Park Place concept plan. In addition, and for the same reasons explained above, newly proposed Chapter 16.12.026, requiring alley load development throughout ALL medium zones in the Park Place area, needs to be removed completely in order to align with the final adopted Park Place Concept plan.

“Raised and skirted” front porch requirement – Sub section 17.21.050

Subsection 17.21.050, requires elevated and skirted front porches. Like above, this requirement is not listed or mentioned in the Park Place Concept Plan as a goal, objective or directive. In addition, and most importantly, this current required design standard will result in unnecessary steps at the main entry points of all homes that would be burdened with this requirement, making ADA access at all front entries impossible to meet. For these reasons, we urge the City Commission to remove this requirement from chapter 17.21

South End Concept Plan - Goals, Objectives, and Implementation, as outlined within:

The concept planning process for South End began in 2013 and was adopted by the City Commission in 2015. Code section 17.22 (Existing Code Implementation of the South End Concept Plan) does appear to align closely to the adopted concept plan. In it, and unlike the Park Place Concept plan, there is mention of a desire for some alley load development, and the implementation of historic influenced design standards. Chapter 17.22 does NOT require “historic only” architecture, nor does it require NO front load garages. Unlike chapter 17.21 (implementation of Park Place concept plan), the

requirements in Chapter 17.22 DO appear to align with the goals and objectives of the South End concept plan.

“Raised and skirted” front porch requirement – Sub section 17.22.050

Subsection 17.22.050, requires elevated and skirted front porches. Like above, this requirement is not listed or mentioned in the South End concept plan as a goal, objective or directive. As mentioned above, and for the same reasons affiliated with ADA compatibility, we urge the City Commission to remove this requirement from chapter 17.22.

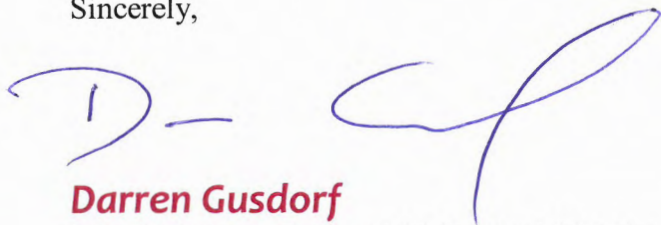
For the reasons outlined above, we ask the City Commission amend Chapters 17.21, 17.22 and 16.12.026 to:

- Remove the “historic only” requirement from Park Place chapter 17.21
- Remove the “NO front load garage” requirement from Park Place chapter 17.21
- Remove the “alley load” requirement, affiliated with single-family detached in Park Place from chapter 16.12.026
- Remove the “raised and skirted” front porch requirement from chapters 17.21 and 17.22

If for any reason the City Commission is not comfortable making these code amendments, we ask that you please remand both Park Place and South End concept plans back to city staff and the Oregon City Planning Commission so they can revise the affiliated chapters of code to adhere and align with the goals and objectives set forth in both of these final adopted concept plans, AND to ensure they align with the goals and objectives outlined within the equitable housing platform.

We greatly appreciate your help in ensuring chapters 17.21, 17.22 and 16.12.026 are correctly written and implemented, so they align with what was adopted in the final concept plans. It is clear that the current and proposed code amendments, in the above referenced chapters, do not align with the goals, objectives, directives, and spirit of the equitable housing program nor do they adhere to what was clearly defined in the final adopted concept plans.

Sincerely,



Darren Gusdorf

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March 29th, 2019

Alley Load Development in Oregon City Concept Plan Areas – Chapter 16.12.026

Mayor Holladay and City Commissioners, --

In an effort to demonstrate the adverse impacts of alley load development here in Oregon City, I visited all (9) existing alley load development projects here in town, and have included photographs and observations for you to review. If time allows before the upcoming April 3rd hearing, I ask that each of you to please visit these sites so you can see first-hand the design challenges and the end result of alley load development. These (9) existing alley load projects in Oregon City are:

- Sequoia Landing - Glen Oak Road and Coast Redwood Avenue.
- Sequoia Crossing - Glen Oak Road and Berge View Avenue.
- Meriwether - Thayer Road and Wynton Drive.
- Caufield Place - Caufield Road and Voyage Road.
- Dawn Meadows - Rose Road and Sprite Way.
- Filbert Run - Central Point Road and Hazelnut Avenue.
- Douglas Grove - Thayer Road and Blue Blossom Way.
- Maple Lane - Sugarpine Street and Whitehorse Court.
- Glen Oak Meadows - Mossy Meadow Drive Avenue and Brittany Terrace

As outlined in prior testimony, alley load development will drive up home prices. Building twice as many streets will impact the overall cost of development, it will increase lot costs accordingly, and the end user will see higher priced homes as a result. Beyond that, it is our firm belief that alley load development creates an inferior and less desirable product to the end user, when compared to standard/typical front load garages with functional rear yards. I'm hopeful the attached pictures and details will assist with you coming to the same conclusion.

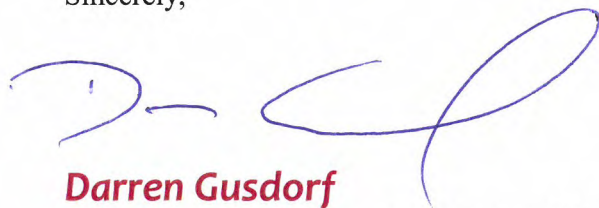
In addition, the city is now proposing to place all future ownership and maintenance responsibilities affiliated with future alleys, directly in the hands of the future property owners and communities that adjoin alleys. This is in response to recent discussions between planning and public works, after public works voiced their concerns affiliated with alley load development within this city (constrained streets, more expense, more burden on the city requiring more streets to maintain, more burden to city storm, etc.). If this comes to fruition,

this will put the burden on the future homeowners to pay for all future maintenance of these “extra” streets. That forces HOA’s, which is another deterrent of future homebuyers, and adds more cost that they must bear. Salt on the wound if you will. Not only will alley load drive up finished home prices, this newly proposed “solution” to who’s going to pay for and maintain the alleys, just got worse. Let’s create an inferior product, that costs more to the consumer, and then tax them on the alley load streets via an HOA. How does this help promote equitable housing? It achieves the opposite. Even more concerning is what condition these alleys will be in when maintenance is needed and necessary repairs are taken out of the hands of the city. Making an HOA the decision maker on when/if street maintenance is needed will be problematic. And what happens when an HOA dissolves or is disbanded, which is not uncommon after developers establish them and turn them over to the community?

This example is not intended to discredit any members of city staff in anyway. We greatly appreciate ALL members of OC’s staff, in all departments. I’m just pointing out what we’re experiencing more and more of lately, in nearly all of the jurisdictions that we work in. “Solutions” that don’t solve the problem, and directly conflict with the goals and objectives of the equitable housing program. It’s a pattern that we’re seeing regularly, in which the proverbial can gets kicked down the road, through development, and onto the end user. This is a major factor that has led us to where we are today, with home prices continuing to rise. Increased development fees and costs, more construction standards, more development requirements, more planning restrictions, are ALL factors that drive up housing prices. Then we’re asked why homes are so expensive to construct??? We’re never going to achieve a realistic and obtainable approach to equitable housing until these issues are dealt with head on. Alley load development does not align with the demands of the consumer, nor will it in anyway, create opportunities to bring home prices down. The end result is what it is, home prices will continue to rise.

Again, we greatly appreciate your time and effort spent on reviewing the current code revisions and ensuring the final code adoptions align with the goals and objectives of the equitable housing program. We’re hopeful you can see the negative impacts affiliated with alley load development. Not just from members of the development community, but from the views and prospective of the community in full, including the desires of neighboring property owners and future homebuyers in whole.

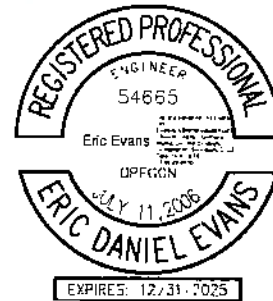
Sincerely,



Darren Gusdorf

General Manager - Commercial & Residential Division
ICON Construction & Development, LLC #150499
1980 Willamette Falls Drive, Suite 200 | West Linn, OR 97068
503.657.0406 office | 503.655.5991 fax
darren@iconconstruction.net

Exhibit B



September 23, 2024

Harlan Borow
ICON Construction & Development, LLC
1969 Willamette Falls Drive, Suite 260

RE: Alley Load and Side Load Development and Cost Impacts

Dear Harlan,

Based on our conversation I have reviewed your request to analyze the impact of the proposal to require detached garages on typical subdivision developments.

Using a typical subdivision layout with 50x100 lots as an example, we can see the following impacts. An alley loaded home layout would require an additional roadway for every bank of lots. A standard lot pattern uses one ~54' wide ROW to access 100' wide lots on either side. This equates to roughly 254' of width for two homes and one ROW. Introducing an alley to the equation would require an additional 30' of tract for every two rows of homes.

ALLEY LOAD ANALYSIS

Impervious Area:

For every 50' of street frontage with no alleys one could expect ~2200 SF of impervious area from sidewalks, curbs, and pavements. Then each lot might produce ~2500 SF of impervious for two lots or a total of 7200 SF of impervious per 50' of frontage. When an alley is added to the layout, ~25'x50' of additional impervious area is added to this theoretical length of development. The result is roughly 15 to 20% more impervious area needed for the added roadway. Furthermore, most of the developable land available for new housing does not allow for endless grids of roadways, therefore the end conditions related to subdivision development must be considered. End conditions dictate 50% to 100% of all lots will be forced to have a single loaded alley. This would increase the added impervious to 20% to 25% on average. The result of this increased impervious area would yield larger storm water management tracts somewhat proportional to the added impervious area. Additionally, storm drainage pipe diameter would need to be increased to convey the added design flow.

Road Design and Construction Challenges:

New alleys require curbs, pavement drainage and other associated road building items. Grade transitions between lots often are addressed in the rear yards will now require driveways to rear load garages. Placing a road in the rear of each lot will remove the flexibility of the builders on even the most modest of sloping sites. Roadways generally require a flat cross section. Adding another "flat area" on a sloping site will result in cumbersome grading challenges and expensive walls. Adding alley roads along the boundary of proposed development will require giving up land for slope, road geometry or areas for walls.

Lot yield will be decreased with the added land required for alleys, end condition grading, and added storm water management facilities. The added impervious area, plus additional pond size, plus grading on the project limits would generally result in a loss of lot yield of one third.

Construction Cost Implications:

Added roadways, larger storm facilities and cumbersome site boundary upgrades would yield additional construction costs in the range of 30%. However, note that the costs would increase as the size of the site decreases.

Construction Costs:

Alley loaded construction will add 25% to 50% to the cost of the overall development.

SIDE LOAD ANALYSIS

The side load analysis would require the bulk of the improvements to be deferred to the home builder rather than during the construction of the greater subdivision. Similar to the analysis above, added impervious area and storm water management facilities would be required, proportional to each lot, as each lot would require longer driveway. We would anticipate each formerly 50' wide lot would now need to be roughly 75' in width to accommodate the side load garage. This could result in a lot yield loss of a proportional 50%.

We look forward to hearing from you. If you have any questions, please feel free to contact our office at 503-746-8812.

Respectfully,
Emerio Design, LLC

Eric Evans, PE
Civil Engineer

Pete Walter

From: Lee & Valerie McCarty <mccarty1984@gmail.com>
Sent: Saturday, September 28, 2024 8:37 AM
To: Adam Marl; Mike Mitchell; Frank O'Donnell; Rocky Smith, Jr.
Cc: Pete Walter; Christina Robertson-Gardiner; Ron Best; Linda Fields; Brandon Fliflet
Subject: FW: Park Place Concept Plan - Concerns Regarding Zoning of 32-Acres Adjacent to Meadow Ridge Estates
Attachments: Meadow Ridge Estates - City Planning Commisioners .docx

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

On behalf of the residents of Meadow Ridge Estates, and as a homeowner in this community, I am writing to formally voice concerns regarding aspects of the proposed zoning of the Park Place Concept Plan, which will negatively impact our community.

Attached you will find a letter, a copy of which was also sent to members of the Planning Department outlining these concerns. Please feel free to forward to your staff as you deem appropriate. In anticipation of the Hearing scheduled for Monday October 28th, we would appreciate it if you could ensure I have a 3-minute block of time to publicly voice our concerns.

If you have any questions, or if I need to take additional steps to secure a time slot to speak at the October 28th hearing, please let me know.

Regards,

Lee McCarty
16817 S. Kraeft Rd.
Oregon City, OR

734-904-6442

Lee G. McCarty
16817 S. Kraeft Rd.
Oregon City, OR
Email: mccarty1984@gmail.com
Cell: 734-904-6442

Oregon City Planning Commission
695 Warner Parrott Road
Oregon City, OR 97045

**Subject: Park Place Concept Plan
Concerns Regarding Zoning of 32-Acres Adjacent to Meadow Ridge Estates**

September 28, 2024

Dear Members of the Oregon City Planning Commission,

I am writing to formally express significant concerns on behalf of my family and the homeowners of Meadow Ridge Estates regarding the proposed zoning of the 32-acre parcel located to the south and west of our community. This land, included in the Park Place Concept Plan and within the Urban Growth Boundary (UGB), is slated for low to medium density residential development. We believe this proposed zoning is incompatible with the existing character of Meadow Ridge Estates, and it raises serious concerns for the safety, accessibility, and aesthetic integrity of our neighborhood.

Incongruity of Zoning Designations

Meadow Ridge Estates is a private, gated community consisting of single-family homes on 2-to-5-acre tracts. This large-lot, low-density zoning is under the RRFF5 designation and currently governs the 32-acres adjacent to our subdivision. However, the proposed low to medium density zoning under the Park Place Concept Plan (R-3.5 to R-10) could introduce up to nine dwelling units per acre, including duplexes, townhomes, and multifamily housing. This higher density zoning would be sandwiched between Meadow Ridge Estates and Redland Rd. This zoning is starkly incongruous with the current estate-like character of Meadow Ridge Estates, and it contradicts the core values of the Park Place Concept Plan, which emphasize maintaining aesthetic quality and ensuring harmonious transitions between different zoning types throughout the community.

The concept plan's vision promotes the seamless integration of developments to preserve neighborhood context. However, shifting from 2-to-5-acre tracts to potentially dense developments of up to nine units per acre disrupts this objective and undermines the existing character of our community. We ask the Commission to reconsider the density levels proposed for this parcel to be commensurate with the current zoning of Meadow Ridge Estates and to ensure they align with the broader goals of preserving neighborhood safety, integrity, and aesthetic appeal of the current RRFF5 zoning. This would maintain the continuity, aesthetic appeal and safety of Meadow Ridge Estates down to Redland Rd., less than 4-tenths of one mile.

Fire Safety and Egress Concerns

One of the most pressing concerns is the limited access and egress from Meadow Ridge Estates, which is currently confined to Kraeft Rd accessing Redland Road to our South. Given the existing rural and natural landscape surrounding much of our community, this restricted access poses significant fire safety risks which were exemplified during the 2020 fire season when much of our community fell under Level 2 and Level 3 fire evacuations, resulting in one-way gridlock traffic on Redland Road. This rendered access to Redland Rd virtually impossible as panicked evacuees on Redland Rd. (both lanes headed West) would not allow residents to enter Redland Rd. This scenario made clear that the evacuation route on Redland Rd is presently a danger and woefully lacking sufficient capacity to support existing population during an emergency, not to mention future population growth. The proposed increased development density on the 32-acre parcel would further exacerbate this issue by introducing higher population density to an area with only one evacuation route from Redland Rd.

In the event of a wildfire or other emergency, the addition of dozens of homes or worse yet, hundreds of multi-family tenants with no additional safe egress routes, and Redland Rd under capacity, would place both current and future residents at substantial risk. This problem is magnified by the topography and terrain in the area, which already limits potential access points. We urge the Commission to prioritize public safety by conducting a comprehensive assessment of egress options, and road capacity beginning with Redland Rd., before advancing any zoning changes that would increase population density in this area.

Infrastructure and Service Limitations

The current zoning of the 32-acres reflects the limitations of existing infrastructure. Meadow Ridge Estates and the adjacent land have limited or no access to roads and city services such as sewer, water and road infrastructure. Any attempt to annex and rezone this land for higher density would require significant investment in extending these services. These tax dollars could be better utilized by developing the interior of the city or providing city residents much needed tax relief through tax abatements.

The lack of immediate city services and road infrastructure suggests the proposed zoning may be established to help offset cost prohibitive infrastructure that would be otherwise unmanageable without more dense population to offset these expenses, which again further exacerbates the safety and integrity of our community. It could also mean the current owner of the 32-acres, Icon, is working hard to influence the City Commissioner's to push a proposal that better serves the developer's financial interests rather than the community at large. Irrespective of the business driver, the impact on the community does not appear to be a strong consideration in this instance.

We request the Commission evaluate and assess the implications of your zoning recommendations for this 32-acres relative to infrastructure capacity, roads, services and density of neighboring developments and not employ zoning changes to otherwise mitigate infrastructure costs or appease a developer.

Population Density and Quality of Life

The introduction of low to medium-density housing adjacent to Meadow Ridge Estates will significantly alter the quality of life for the current residents. With the proposed zoning, the 32-acre parcel could accommodate up to 192 new dwelling units if every acre were developed. The increased traffic, noise, and strain on shared resources would diminish the quiet, rural environment that attracted the Meadow Ridge homeowners to the area. Additionally, this population increase would place greater pressure on local schools, parks, and public services, which are not currently scaled to handle such rapid growth in a concentrated area.

Adjacent to Meadow Ridge Estates to the north, Icon is pushing a 500-600 phased unit development. Icon is also pushing high density zoning in the 32-acres adjacent to our South, and this is in addition to recent the 171unit complex on 4.5 acres on Maple Lane immediately to our South. Instead, the zoning recommendations should promote and foster a seamless transition throughout the community and balance the level of population density already planned.

We ask the Commission to carefully weigh the long-term impacts of high-density development on the 32-acre parcel South of Meadow Ridge Estates in addition to recently approved and developed high density projects adjacent to our North, and near the South, to ensure that any zoning changes are in line with preserving the quality of life for both current and future residents of Meadow Ridge Estates.

Conclusion and Request for Action

Considering the concerns outlined above, we respectfully request that the Oregon City Planning Commission reconsider the proposed zoning for the 32-acre parcel adjacent to Meadow Ridge Estates. Specifically, we ask for the following actions:

1. **Reevaluation of Zoning Density:** We request the Commission maintain zoning that aligns with the current RRFF5 designation or adopt a zoning parameter that is congruous to the existing zoning of Meadow Ridge Estates to preserve the character of the community on a continuous basis down to Redland Rd.
2. **Fire Safety and Egress Study:** We ask that a formal study be conducted to assess the fire and emergency safety risks associated with increased density on this 32-acre parcel and to further consider options to reduce the density to levels consistent with Meadow Ridge Estates to further protect current and future residents.
3. **Infrastructure Feasibility Assessment:** We request that the Commission defer zoning recommendations until city services (e.g., water, sewer, roads), roads and infrastructure are financially reviewed and impacts quantified, so zoning recommendations can be aligned with community values, not unrealistic density requirements which may otherwise benefit the developer.
4. **Community Impact Study:** We request an evaluation of the potential impacts on local resources, public services, and the quality of life for current residents before finalizing zoning decisions.

We appreciate the opportunity to share our concerns and hope the Planning Commission will seriously consider the potential negative impacts on the residents of Meadow Ridge Estates and the surrounding community. Representatives from Meadow Ridge Estates, including myself, Linda Fields, Brandon Fliflet, and several of our community residents plan to attend the Planning Commission session on Monday, October 28th to formally express our concerns.

Thank you for your time and attention to this important matter.

Sincerely,

Lee McCarty
Homeowner, Meadow Ridge Estates



September 23rd, 2024

Greg Stohl, Chair
Planning Commission of Oregon City
625 Center Street
Oregon City, OR 97045
[cc: Aquilla Hurd-Ravich, Community Development Director]

RE: Oregon City Park Place Concept Plan Code Amendments 9-23-2024

Dear Mr. Stohl,

My name is Preston Korst and I'm the Director of Government Affairs at the Home Building Association of Greater Portland. HBA is dedicated to maximizing housing choice for all who reside in our region by shaping an environment in which industry professionals can meet the diverse needs of all communities.

We are writing in response to the City's proposed code amendments to the implementation of the Park Place Concept Plan. While we understand the intent of some of the proposed changes, we have serious concerns about several important proposals that would drastically increase the cost to build and buy a home in Oregon City. **For the reasons articulated below, we urge Planning Commission to continue this discussion item to a later hearing(s) in order to allow the City and local homebuilders to fully vet the impact that these proposed changes would have on homebuilding and housing affordability.**

Parkland Dedication Requirements

The city's proposed mechanism for a parks and trails dedication not only disproportionately impacts early development, but also effectively double-charges developers by neglecting to incorporate a commensurate SDC-crediting system or reimbursement district. We feel that the city needs to reassess its proposed dedication strategy in favor of one that will actually result in complete communities and functioning parks and trails. By mandating the contribution of oversized and overly prescriptive park dedications (without remuneration or credit) the city not only decreases the likelihood of needed development, but would also be increasing the cost of housing for its existing and future residents.

Design Standards Amendments

Several of the proposed design standard amendments will add tremendously to the cost to build homes and live in them in the long run. Several design standard requests are unneeded or counterintuitive to the city's stated housing affordability goals. In particular, the city's requirements for alleyways, garage orientations, and design diversities are unneeded, and will only add to the cost to housing in the area. Alley-loaded garages only add to the impervious surfaces in new neighborhoods, and come with their own set of unique livability challenges. In each case, the balance of cost falls on homebuyers, either at the point of sale or in long-term maintenance and HOA responsibilities.

We ask that the Planning Commission allow more time to review these amendments and the impact they will have on housing affordability. By creating more space and time for this review, the city can more effectively engage with builders to craft planning policies which reflect greater long-term livability and affordability for its residents. HBA and our 1,200 members working across the region know that the most successful (and affordable) communities start with early and thoughtful dialogue between cities and the development community.

Thank you for your consideration of our testimony,

A handwritten signature in black ink, appearing to read "Preston Korst", with a stylized, flowing script.

Preston Korst

Director of Public Policy and Government Affairs
Home Building Association of Greater Portland

September 23, 2024

Garrett H. Stephenson
Admitted in Oregon
D: 503-796-2893
C: 503-320-3715
gstephenson@schwabe.com

VIA E-MAIL

Mr. Greg Stoll, Chair
Oregon City Planning Commission
695 Warner Parrott Rd,
Oregon City, OR 97045

RE: Legislative File GLUA 24-013/LEG-24-01

Dear Chair Stoll and Planning Commissioners:

This office represents ICON Construction and Development (ICON). We are in receipt of and have preliminarily reviewed the proposed code amendments intended to implement the Park Place Concept Plan (the “PPCP”) (the “Amendments”), City casefiles GLUA 24-013/LEG-24-01. We respectfully offer the following comments. We also request that the Planning Commission hearing be continued to the next scheduled Planning Commission meeting to allow time for ICON to determine the likely cost/market impacts of the Amendments.

1. The Amendments must ensure that a General Development Plan is not required for development within the PPCP area.

Under ORS 197A.400, a local government may not adopt or apply standards, conditions, and procedures that are not “clear and objective.”

“(1) Except as provided in subsection (3) of this section, a local government may adopt and apply only clear and objective standards, conditions and procedures regulating the development of housing, including needed housing, on land within an urban growth boundary. The standards, conditions and procedures:

(a) May include, but are not limited to, one or more provisions regulating the density or height of a development.

(b) May not have the effect, either in themselves or cumulatively, of discouraging needed housing through unreasonable cost or delay.”

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September 23, 2024

As relevant here, the sole exception to this is ORS 197A.400(3), which provides as follows:

“(3) In addition to an approval process for needed housing based on clear and objective standards, conditions and procedures as provided in subsection (1) of this section, a local government may adopt and apply an alternative approval process for applications and permits for residential development based on approval criteria that are not clear and objective if:

(a) The applicant retains the option of proceeding under the approval process that meets the requirements of subsection (1) of this section;

(b) The approval criteria for the alternative approval process comply with applicable statewide land use planning goals and rules; and

(c) The approval criteria for the alternative approval process authorize a density at or above the density level authorized in the zone under the approval process provided in subsection (1) of this section.”

In *East Park v. City of Salem East Park, LLC v. City of Salem*, __ Or LUBA __, __ (LUBA No. 2022-050, Aug 30, 2022), the Oregon Land Use Board of Appeals (“LUBA”) held that there was no “clear and objective” path to approval for an applicant. LUBA reasoned that:

“ORS 197.307(6) provides that a local government may provide a discretionary approval path for housing only in addition to an existing clear and objective path. * * * ORS 197.307(6) authorizes local governments to adopt an alternative process for approving housing under standards that are not clear and objective, so long as the applicant retains the option of proceeding under an approval process that complies with ORS 197.307(4)” *Id.* (slip op at 11) (emphasis added). Much like *Icon*, the applicant in *East Park v. City of Salem* was not provided with an option to proceed under a clear and objective path.”

Thus, a local government must give an applicant for the development of housing the option to apply for a clear and objective approval process. The City may only impose standards that are not clear and objective if that approval process is open to that applicant, and the applicant nonetheless chooses to subject itself to a subjective approval process. In *ICON v. City of Oregon City*, LUBA confirmed the above principles and held that the City may not require an applicant to file a General Development Plan for development within the PPCP area. __ Or LUBA ____ (LUBA No. 2022-100, May 19, 2023).

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The City's General Development Plan is an expressly discretionary, subjective process. It appears that the Amendments clarify that a GDP *is not required* for development within the PPCP area, and we support such a clarification. To the extent that any provision of the Amendment would require a GDP, or that the Amendments attempt to make the GDP standards or criteria "clear and objective," ICON would strongly oppose any such change.

2. The Planning Commission should modify certain proposed design standards in the Amendments to ensure that the homes in the PPCP area will be marketable.

a. 16.12.026—Alleys should not be required.

Alleys increase the amount of land area dedicated to non-residential uses and increase the per-unit expense of developing housing. They also increase the grading and erosion control needs for a given project over a project that does not have alleys. Therefore, without an offsetting incentive (such as a by-right increase in density), alleys should not be required because they "have the effect, either in themselves or cumulatively, of discouraging needed housing through unreasonable cost or delay." ORS 197A.400(1)(b). See also **Exhibit 1**, which explains the problems with alley requirements in more detail.

b. 17.21.090—The garage orientation and location limitations should be removed.

The proposed code amendments retain the prior requirement that "garages shall be detached, side entry or rear entry." Requiring alley-loaded garages creates the same cost increases that pertain to alleys themselves, discussed above, and would also discourage needed housing through unreasonable cost increases. ORS 197A.400(1)(b). Forcing garages to be detached require the construction of two separate buildings, with attendant cost duplication for roofs, foundations, and increased costs for extending wiring and other utility services to the garage. Such garages also result in a more expensive homes, violating ORS 197A.400(1)(b). This is summarized in the attached email from Darren Gusdorf, ICON's Commercial and Residential Division Manager, who estimates that these sorts of garage size, location, and orientation regulations increase the costs of a given home by 20%. **Exhibit 2**. Side-entry garages are only possible on street corners and can remain an option.

Too, the housing market often prefers front-loaded, attached garages, and both alley-loaded and detached garages significantly increase the cost of homes. In 2018 and 2019, ICON staff explained why prohibitions on attached, street-facing garages should be eliminated. **Exhibit 3** and **4**. We respectfully request that the Planning Commission review this testimony and consider these arguments anew.

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In view of the market preference for attached garages, ICON also recommends the following changes to both the existing code and the proposed Amendments.

- 17.14.030.C—the maximum 50% of the façade that may be garage should be increased to 60%.
- 17.14.030.B—The maximum 12-foot garage limitation for townhomes should be eliminated. This greatly reduces marketability and likely restricts accessibility for handicapped citizens as there is no room for wheelchair access, resulting in reduced access to more affordable housing options.

c. 17.21.105—The housing diversity standards are too prescriptive.

The proposed housing diversity standards, while well-intentioned, are too prescriptive and could have unintended negative consequences.

First, ICON does not see how the City has the authority under ORS 197A.400 et. seq., to *require* a certain amount of middle-housing. HB 2001 was intended to provide developers more options and to offset the cost impacts of those options with tax incentives. 197A.420. We do not believe that it is reasonable, nor does it help the cause of increasing the supply of housing, to *mandate* a certain amount of middle-housing. This is because different properties have different development costs which may or may not allow for the construction of middle-housing, and ICON needs the flexibility to develop a unit mix that best facilitates the production of housing, be they middle-housing or single-family units.

Second, the middle-housing units should not have to be shown in the tentative or final plat, simply because not all developers actually build homes on the lots they plat. By restricting certain lots to middle-housing, the Amendments will likely make these and other lots less attractive to builders, who may need the flexibility to decide which lots should be used for middle-housing based on market factors at the time.

Finally, the Commission should not impose the proposed prohibition on more than three middle-housing lots abutting one another. This would preclude longer townhouse blocks because it is very difficult to construct an odd number of abutting townhomes. This would also make such townhomes look odd and out of place, whereas townhome blocks are traditionally uniform and far longer than two units. This is especially true of homes fronting collectors, against which a uniform streetscape is desirable, and other areas where such townhouse blocks are alley-loaded.

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All three of the Amendments discussed above would increase the expense of a project and likely reduce a developer or builder's ability to flexibly market housing product, which will certainly result in unreasonable costs and delay. ORS 197A.400(1)(b). The Planning Commission should therefore eliminate the proposed housing diversity standards and replace those standards with an incentive package.

d. Design standards for the NC zone would likely increase costs and make actual establishment of supportive commercial uses in Park Place less feasible.

ICON appreciates the acknowledgment that viable neighborhood-scale commercial uses are difficult to achieve in Park Place. ICON believes that the Planning Commission should focus on the goal of obtaining viable commercial uses in the NC, which goal is at odds with some of the NC design standards in the Amendments. These include the following:

- 17.24.040.I—This section adds considerable landscape requirements that restrict developable area and greatly increase cost, thereby diminishing marketability.
- 17.24.060.C.2—While it is commendable to add stormwater facilities serving adjoining residential zones as additional permitted uses, restricting to 0.5 square acres in size may be problematic for larger developments given the topographic requirements/constraints of the area and the need for larger facilities.
- 17.24.060.C.3—While it is commendable to add park land improvements as additional permitted uses, restricting to 0.75 acres in size is too restrictive.
- 17.24.060.F. – These design standards will make commercial development more expensive.

The Planning Commission should consider that each additional development standard it imposes comes with a cost, a cost that the owners of commercial spaces will pass onto tenants. Given the difficulty of so many businesses to maintain brick-and-mortar locations, even in buildings that are fully depreciated, it seems counterproductive to impose a host of new costly design standards that will make new, expensive commercial product even more expensive. This will reduce the chances that neighborhood commercial businesses will actually be able to use these commercial spaces.

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e. 17.62.061 and 16.08.043—Commercial development should not be required to pay a fee-in-lieu for parks.

Like all exactions, requirements to dedicate parkland or make a payment-in-lieu are subject to the taking clause of the 5th Amendment of the US Constitution. First, the City has the burden to show that there is an “essential nexus,” between the exaction and the impact of the associated project on the public infrastructure. *Nollan v. California Coastal Com.*, 483 US 825, 836-37 (1987). Second, the amount of exaction must be “roughly proportional” to that impact. *Dolan v. City of Tigard*, 512 US 374, 391-395 (1994). The U.S. Supreme Court has recently clarified that development fees, even if set forth in legislation, are subject to this analysis. *Sheetz v. El Dorado County*, 601 US ___, S. Ct. No. 22–1074, slip op at 7-20 (2024). It is the City’s burden to make an “individualized determination” of nexus and rough proportionality in the first instance, and it may not justify exactions as a constitutional matter simply because they have been legislated into existence.

The City has not demonstrated how commercial uses create a demand for parkland that would support a fee-in-lieu or dedication requirement. In particular, the City has not demonstrated a nexus between the construction of commercial uses and an impact on the City’s parkland. Therefore, any requirement to dedicate parkland for non-residential uses would be a taking and would entitle the property owner and/or developer to just compensation.

f. Required dedication of parks and trails is not supported by an adequate evidentiary base and would constitute unconstitutional takings as currently proposed.

As with the requirement for dedication of parkland as part of a non-residential project, the proposed requirements to dedicate parkland and trails lack an adequate factual base. That is, while it may be reasonable to assume that local residents will demand a certain amount of parkland, the proposed amendments do not appear to be supported by data proving the “rough proportionality” of development on the City’s parklands. Rather, the formula proposed by the City appears to be reverse-engineered to obtain the parkland and trails desired in the PPCP, which is not the same analysis needed for such a requirement to pass constitutional muster.

More troubling, though, is the proposed double-dipping of park and trail dedication/fee-in-lieu on the one hand, and parks SDCs on the other. Assuming that the parks SDCs are roughly proportional to the impact of the development of various types of residential units, adding onto that an area-specific dedication/fee-in-lieu requirement fails the rough-proportionality on its face. As noted above, while the Amendments would purport to adopt specific ratios for park and trail

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dedication requirements in Park Place, there is no evidence in the record to support those impact assumptions, which is a burden the City must bear prior to adopting the Amendments.

Finally, allowing SDC credits against dedication of parkland or trails for Park Place does not cure the constitutional problems with the proposed parks funding methodology. As a constitutional matter the City has the burden to show that the proposed requirements meet the *Nollan/Dolan* tests in the first instance; a developer or builder is not required to prove otherwise, which is exactly what the SDC credit system requires. In summary, ICON does not believe that the City can assess both a dedication/fee-in-lieu requirement and parks SDCs in Park Place; it must choose one or the other, and whichever it chooses must be constitutional.

3. Conclusion

ICON sincerely appreciates the Planning Commission's consideration of the above comments in this matter. As noted above, ICON needs additional time to review the particular zoning amendments to determine their potential takings, cost, and market impact, which are crucial to the success of Park Place. We hope that the Planning Commission will allow the requested one-month continuance to allow ICON to conduct that analysis.

Best regards,



Garrett H. Stephenson

GST:jmhi

cc: Ms. Carrie Richter (via email)
Mr. Peter J. Walter (via email)
Mr. Mark Handris (via email)
Mr. Harlan S. Borow, P.E. (via email)
Mr. Darren Gusdorf (via email)



CCB#150499

1980 Willamette Falls Dr. #200, West Linn OR 97068 503-657-0406

March 29th, 2019

Alley Load Development in Oregon City Concept Plan Areas – Chapter 16.12.026

Mayor Holladay and City Commissioners,

In an effort to demonstrate the adverse impacts of alley load development here in Oregon City, I visited all (9) existing alley load development projects here in town, and have included photographs and observations for you to review. If time allows before the upcoming April 3rd hearing, I ask that each of you to please visit these sites so you can see first-hand the design challenges and the end result of alley load development. These (9) existing alley load projects in Oregon City are:

- Sequoia Landing - Glen Oak Road and Coast Redwood Avenue.
- Sequoia Crossing - Glen Oak Road and Berge View Avenue.
- Meriwether - Thayer Road and Wynton Drive.
- Caufield Place - Caufield Road and Voyage Road.
- Dawn Meadows - Rose Road and Sprite Way.
- Filbert Run - Central Point Road and Hazelnut Avenue.
- Douglas Grove - Thayer Road and Blue Blossom Way.
- Maple Lane - Sugarpine Street and Whitehorse Court.
- Glen Oak Meadows - Mossy Meadow Drive Avenue and Brittany Terrace

As outlined in prior testimony, alley load development will drive up home prices. Building twice as many streets will impact the overall cost of development, it will increase lot costs accordingly, and the end user will see higher priced homes as a result. Beyond that, it is our firm belief that alley load development creates an inferior and less desirable product to the end user, when compared to standard/typical front load garages with functional rear yards. I'm hopeful the attached pictures and details will assist with you coming to the same conclusion.

In addition, the city is now proposing to place all future ownership and maintenance responsibilities affiliated with future alleys, directly in the hands of the future property owners and communities that adjoin alleys. This is in response to recent discussions between planning and public works, after public works voiced their concerns affiliated with alley load development within this city (constrained streets, more expense, more burden on the city requiring more streets to maintain, more burden to city storm, etc.). If this comes to fruition,

this will put the burden on the future homeowners to pay for all future maintenance of these "extra" streets. That forces HOA's, which is another deterrent of future homebuyers, and adds more cost that they must bear. Salt on the wound if you will. Not only will alley load drive up finished home prices, this newly proposed "solution" to who's going to pay for and maintain the alleys, just got worse. Let's create an inferior product, that costs more to the consumer, and then tax them on the alley load streets via an HOA. How does this help promote equitable housing? It achieves the opposite. Even more concerning is what condition these alleys will be in when maintenance is needed and necessary repairs are taken out of the hands of the city. Making an HOA the decision maker on when/if street maintenance is needed will be problematic. And what happens when an HOA dissolves or is disbanded, which is not uncommon after developers establish them and turn them over to the community?

This example is not intended to discredit any members of city staff in anyway. We greatly appreciate ALL members of OC's staff, in all departments. I'm just pointing out what we're experiencing more and more of lately, in nearly all of the jurisdictions that we work in. "Solutions" that don't solve the problem, and directly conflict with the goals and objectives of the equitable housing program. It's a pattern that we're seeing regularly, in which the proverbial can gets kicked down the road, through development, and onto the end user. This is a major factor that has led us to where we are today, with home prices continuing to rise. Increased development fees and costs, more construction standards, more development requirements, more planning restrictions, are ALL factors that drive up housing prices. Then we're asked why homes are so expensive to construct??? We're never going to achieve a realistic and obtainable approach to equitable housing until these issues are dealt with head on. Alley load development does not align with the demands of the consumer, nor will it in anyway, create opportunities to bring home prices down. The end result is what it is, home prices will continue to rise.

Again, we greatly appreciate your time and effort spent on reviewing the current code revisions and ensuring the final code adoptions align with the goals and objectives of the equitable housing program. We're hopeful you can see the negative impacts affiliated with alley load development. Not just from members of the development community, but from the views and prospective of the community in full, including the desires of neighboring property owners and future homebuyers in whole.

Sincerely,



Darren Gusdorf

General Manager - Commercial & Residential Division
ICON Construction & Development, LLC #150499
1980 Willamette Falls Drive, Suite 200 | West Linn, OR 97068
503.657.0406 office | 503.655.5991 fax
darren@iconconstruction.net

Stephenson, Garrett H.

From: Stephenson, Garrett H.
Sent: Monday, September 23, 2024 12:55 PM
To: Stephenson, Garrett H.
Subject: FW: OC Park Place Code

From: Darren Gusdorf <darren@iconconstruction.net>
Sent: Monday, September 23, 2024 11:00 AM
To: Harlan Borow <harlan@iconconstruction.net>; Stephenson, Garrett H. <GStephenson@SCHWABE.com>; Jennifer Arnold <jarnold@emeriodesign.com>
Cc: Mark Handris <mark@iconconstruction.net>
Subject: RE: OC Park Place Code

As discussed, I'm sending some bullet points regarding the cost implementations related to detached garage construction and alley development construction.

Detached Garages:

At a minimum, detached garages will add 20% to the build cost of a SFD. Anytime you separate the structure independently from the home, the cost climbs up substantially. Detaching structures away from the building envelope, triggers additional:

- Excavation
- Subgrade infrastructure (gas, power...)
- All shell construction, that would normally be built within the building envelope, are all triggered:
 - o Foundations
 - o Framing
 - o Trusses
 - o Insulation
 - o Windows
 - o Siding
 - o Roofing
- Extension of driveways
- More impervious area needing to treat

Darren Gusdorf

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CCB#150499

1980 Willamette Falls Dr. #200, West Linn OR 97068 503-657-0406

January 23rd, 2019

Mayor Holladay and City Commissioners:

I'm writing to you in response to staff and city commission discussions that took place at the January 16th hearing, related to the removal of OCMC chapters 17.21 and 17.22, that outline the Park Place and South End design requirements. I'm reaching out to you in hopes to shed some perspective directly from a local home building company, that has had a strong presence in Oregon City for the past 20 years. Icon is heavily vested in Oregon City; past, present and future, and shares the same goals outlined in the current code reform currently before you today.

As you know, the main emphasis of revamping the development sections within the OCMC, is to inject a variety of different affordable housing products into Oregon City's market. We applaud the work performed by city staff, the appointed task force, the planning commission, and others who have vested many hours into bringing their ideas, goals, and objectives forward. We see good opportunities to come, and are excited and eager to venture together with the city, as partners, to implement this vision. I use the word partnership, because it's a critical component, needed to achieve the goals set forth within this equitable housing program. Without the community, city staff, planning commission, city council, land developers, home builders and future home buyers working together cohesively to create a platform suitable and obtainable by all parties, this program will not thrive, nor will it ever come to fruition. Without fairness and balance, it goes nowhere.

The current adopted design standards, defined in chapter 17.14, already require an abundant amount of design requirements for ALL residential construction in Oregon City. Oregon City planning and city staff, have already done a fantastic job of injecting historical design requirements for new construction in this city that all builders must adhere to. As written within chapter 17.14, builders must include a minimum of 5 and as many as 14 design standards into their building design. These standards require selecting from the list below:

- *Dormers, which are projecting structures built out from a sloping roof housing a vertical window.*
- *The roof design must utilize either a gable or hip roof system.*
- *The building facade includes two or more offsets of 16-inches or greater.*

- *A roof overhang of 16-inches or greater.*
- *A recessed entry that is at least 2-feet behind the furthest forward living space on the ground floor, and a minimum of 8-feet wide.*
- *A minimum sixty 60 square-foot covered front porch that is at least five 5 feet deep OR a minimum forty 40 square-foot covered porch with railings that is at least five 5 feet deep AND be elevated entirely a minimum of eighteen 18-inches.*
- *A bay window that extends a minimum of twelve 12-inches outward from the main wall of a building and forming a bay or alcove in a room within.*
- *Windows and main entrance doors that occupy a minimum of fifteen 15 percent of the lineal length of the front facade (not including the roof and excluding any windows in a garage door).*
- *Window trim (minimum four 4-inches).*
- *Window grids on all street facing windows (excluding any windows in the garage door or front door).*
- *Windows on all elevations include a minimum of four 4-inch trim.*
- *Windows on all of the elevations are wood, clad wood, or fiberglass.*
- *Windows on all of the elevations are recessed a minimum of two 2 inches from the facade.*
- *A balcony that projects a minimum of one foot from the wall of the building and is enclosed by a railing or parapet.*
- *Shakes, shingles, brick, stone or other similar decorative materials shall occupy a minimum of sixty 60 square feet of the street facade.*
- *All garage doors are a maximum nine 9-feet wide.*
- *All garage doors wider than nine 9-feet are designed to resemble two 2 smaller garage doors.*
- *There are a minimum of two 2 windows in each garage door.*
- *A third garage door is recessed a minimum of two 2 feet.*
- *A window over the garage door that is a minimum of twelve 12 square feet with window trim (minimum four 4-inches).*
- *There is no attached garage onsite.*
- *The living space of the dwelling is within five 5 feet of the front yard setback; or the driveway is composed entirely of pervious pavers or porous pavement.*

We're not refuting or objecting to any of these existing design requirements. Although it did take some time for our building team to learn these, and implement them correctly within our building product, we worked with the city to understand them and have designed our homes to ensure they conform. We understand the significance and respect the goals and objectives set forth within these standards that are required in Oregon City. As written, they heavily target the implementation of historic elements and they also reduce garage massing by requiring more elements when street facing garage facades increase in size. The objectives set forth in the Park Place and South End concepts plans are already easily met by adhering to the current code criteria set forth in chapter 17.14.

Chapters 17.21 and 17.22 reach far beyond the standards set forth in chapter 17.14 by requiring very rigid and specific requirements that dictate a single style of architectural design; historic only. Not only do these standards drive up the costs of construction, they

drastically limit what type/style of product can be built. This code forces a style of architecture that is desired by very few, which will have a HUGE impact on the marketability of these homes. We are mindful and respectful of the historic significance and influence within Oregon City's architecture, and we understand the importance of it when it is applicable. We are very proud of the work that we did to fully restore the Mathew McCarver house, in which we preserved all of the historic construction elements (roofing, siding, structure/bones, windows, doors, hardwoods, hardware, etc.), in conjunction with a full renovation and restoration of this home. Bringing this boarded up and forgotten about treasure back to life in 2007 was very challenging, but also extremely rewarding (I've included some before and after pictures reflecting the work that was done, for your interest only). The point being, We DO appreciate and respect the history and true era architecture in this city, but it needs to make sense and be appropriate and proportionate to the overall goals of the city, community, home builders and future homeowners. Rick Givens provided testimony in his January 14th letter to the city commission that referenced our McCarver Landing development and the requirement that the newly constructed homes, surrounding the McCarver house, had to be constructed in a Vernacular architecture form, to match that of the McCarver home. We didn't object to this requirement, as we understood the significance of these homes abutting the McCarver home. We understood the concept of blending historic construction with new construction in this development, and we followed the guidelines set forth within the conditions of this development that we agreed to. During the 1-16-19 hearing, one of the commissioners stated that we should understand and respect the significance of these requirements. I want to state clearly that we did then and still do today.

Unfortunately, our point that was highlighted in Rick Given's letter, was misconstrued. We were merely trying to emphasize that we've gone down this road before, following specific historical home architecture designs as dictated on just a few of our homes in McCarver Landing, and this was received very poorly by the general public. We learned very quickly, that mimicking historical era construction, is not in high demand. The absorption rate was extremely low, and the homes had to be discounted drastically to instigate sales. One commissioner at the 1-16-19 hearing stated, "look at these homes now, they are occupied, eventually they sold." This is not a model that any builder should be burdened to follow nor does it offer Oregon City home buyers any variety or flexibility with the architecture designs and styles that they desire and can chose from. Forcing builders and home owners to construct homes that don't appease the majority of the public, directly conflicts with the spirit of this equitable housing program. These two code sections offer no flexibility of any kind, and they blanket two very large areas in Oregon City, that will soon house thousands of single-family dwelling units. Requiring "historic only" design and architecture into these areas is a recipe for disaster, and the McCarver Landing example was only used to illustrate our experience with this before, and at a much smaller scale. The required style of architecture completely prohibits home builders any opportunity to conform to market demand. Dictating historical homes throughout ALL development in these planned areas, prohibits any ability to conform to the community's wants and needs. Historical era construction only, is simply far too much to require in these two very large concept areas. I've included the sample pictures (inserted directly from the code sections themselves) that reflect the required styles of

architecture per sections 17.21 and 17.22, as well as a picture of a vernacular home that was required and constructed in McCarver Landing for you to reference.

In addition, and what was discussed very little at the 1-16-19 hearing, are the garage requirements found within the Park Place concept chapter 17.21. This chapter requires **NO** front load garages. Only side load, rear load, detached, or NO garages are allowed. Not only do these standards drive up costs of development and home construction, they are not practical or even obtainable within the diverse zoning districts in these two concept areas. I'll explain each of these garage options below in hopes to provide some insight as to why these standards would be extremely problematic:

Side entry garages, unless on a corner lot, require a minimum of 40' side yard for driveway access and vehicle maneuverability. This width is needed alongside a home so that vehicles can appropriately enter the garage. That's not feasible on any lots that aren't corner oriented. Taking 40' of width out of a lot for driveway/access, leaves no room for a home to fit within the remaining buildable envelope. Unless you have a lot width of at least 90'+, this simply does not work. The comp plan for Park Place consists of a variety of different blended zonings. Sideload garage orientations will not be feasible in high, medium, and most low-density zones. These simply do not work.

For similar reasons above, detached garages are not feasible in most zones, simply because there is not enough room on building lots to get them to work. It's very challenging to create lots that will conform to what is needed to make rear load garages possible. This configuration requires a minimum of 20' clear space for a driveway along the home and property line, which again diminishes the remaining buildable area for homes to fit. This configuration also requires a much deeper lot to create room in the back of the property for a garage, within the setbacks, and with ample clearance and separation between it and the home. This requires deeper lots which reduces widths to meet lot size area. This absolutely does not work in medium, high, and most low density zoning districts. Beyond that, and even if this configuration could work, this requirement still creates another hardship on the property, builder and home owner, as the general public does not want a garage detached from their home. We live in a rainy climate here in Oregon. Homeowners do not want to walk through the elements from their garage to their home. Detached garages are not sought after by the general public.

We've had experience with rear entry garages in Oregon City. These require alleys, which doubles the quantity of roads within a development, further driving up development and final lot costs. Beyond being more expensive to develop, alley projects create more impervious area, which create further hardships pertaining to storm water management, and they are a poor use of land as a resource (by creating more roads and hardscapes vs. planted green areas). In the end, homeowners are left with little to no rear yards. Oregon City homebuyers want rear yards. They often have kids, pets, or simply want to enjoy privacy within their fenced-in rear property. What little room that is left from rear yard loaded garages, can't be fenced and adhere to vision requirements, and these homes are left with little to no usable yard area. This is another product, that we have had experience constructing, that is not sought after by the consumer.

So, after the above configurations are explored and deemed not physically or economically feasible by the developer and home builder, and not desired by the general public, the last option is to construct a home with NO garage. That's a non-starter. People want garages. They drive cars. They store things. Garages are an amenity and staple in today's homes that homeowners are not willing to give up. So, the "no garage" option, is simply not an option in a single-family residential district. Apartments, sure, but not when constructing single family detached residential homes. If a builder is forced to build a home without a garage, he/she better plan on using it for a rental. It will never sell as there is little to no market for homes without garages.

We are very hopeful that you will see the magnitude of development challenges, added costs, diminished home values, and the burden and hardship that these two chapters will place on developers, builders and future homeowners in these two concept areas, if chapters 17.21 and 17.22 aren't removed from the OCMC. I say again, successful development requires a collective partnership with all parties involved. If it becomes unbalanced, the equitable housing program will be unsuccessful in these concept areas. Chapters 17.21 and 17.22 completely conflict with the objectives and goals outlined within this program, and the impact is severe when blanketing these two areas and thousands of future home sites with these very strict and specific requirements.

I appreciate your time and consideration to all parties impacted, while you and city staff continue discussing the removal of chapters 17.21 and 17.22. Other members from the building and development community will continue attending and speaking at each of the upcoming hearings. I will be attending all upcoming hearings, and would be more than happy answering any questions related to this letter and the current round of code reform if asked to come forward for further testimony.

Sincerely,



Darren Gusdorf

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Required styles of architecture per OCMC chapters 17.21 and 17.22



Western Farmhouse/Vernacular



Bungalow (Craftsman)



Foursquare



Queen Anne Vernacular

**SAMPLES ABOVE ARE CUT & PASTED
FROM CODE SECTIONS 17.21 AND 17.22**

*****Note Historic Era Architecture with
no garages.**

Vernacular Style as Required and Constructed in McCarver Landing





CCB#150499

1980 Willamette Falls Dr. #200, West Linn OR 97068 503-657-0406

March 20th, 2019

Park Place and South End Concept Plans

Mayor Holladay and City Commissioners,

After reading through the final adopted Park Place concept plan, it's very clear that there are significant deviations between it and the correlating chapters of code that were derived from it. OCMC 17.21 (Existing Code Implementation of the Park Place Concept Plan) and OCMC 16.12.026 (Proposed code section that would require ALL alley load development in medium zones within both Park Place and South End concept areas), do not correctly implement the goals, objectives, and directives outlined in the final/adopted Park Place concept plan. These chapters of code, and the sole purpose of these code sections themselves, must adhere and align with the goals and objectives outlined and defined within the adopted concept plan, and they do not. The "historic only" home construction requirements found in section 17.21, the alley load requirement found in section 16.12.026, and the NO front load garage requirement found in chapter 17.21, directly conflict, and would achieve the opposite of what was approved and adopted in the Park Place concept plan. For the reasons explained below, we urge the City Commission to modify Chapters 17.21, 17.22, and 16.12.026, to align with the goals and objectives outlined within the Park Place and South End concept plans. This can be accomplished by leaving the existing concept plans intact, with minor modifications to each of these applicable sections of code.

Park Place Concept Plan - Goals, Objectives, and Implementation, as outlined within:

The concept planning process for Park Place began in 2006 and was adopted by the City Commission in 2007. The plan objectives, core values, and community design, was written very clearly and these visions were highlighted and repeated consistently throughout this final adopted plan. Quoting multiple sections from the Park Place concept plan, this is what is written within:

"We value a choice of housing types, densities, and price ranges" – page 8

“We value a transportation system that limits congestion without overbuilding roads” – page 9

“Create a mix of housing types that include ranges of affordability, developing a variety of housing types and sizes” – page 23

“A variety of housing sizes and types attract a mixture of ages, incomes, family structures and lifestyles to help create a richer, more diverse community.” – page 27

“Single family houses can be a range of sizes, styles, and colors.” – page 27

“Each street is carefully sized to carry the expected travel demand it is intended to serve while minimizing the impact of unnecessary impervious surface.” – page 36

“In general, it is recommended that the City incorporate Best Management Practices including reducing paved, impermeable surfaces.” – page 56

“Concept plans must address the following elements: Housing (density, diversity, affordability). – page 59

“The Park Place Concept Plan strives to provide the Park Place plan area with development flexibility, and housing choices...” – page 59

“Support architectural integrity and variety in residential and mixed-use neighborhoods.” – page 62

“Create design standards for Park Place in order to ensure diverse, compact, attractive, and community-oriented residential development.” – page 62

“Consider developing and adopting architectural variety requirements for subdivision development.” – page 63

“Create flexibility in development standards to allow for alternative housing types.” – page 63

Chapter 17.21 – Park Place Code Adopted and Implemented:

“Historic Only” Requirement – Sub sections 17.21.010 and 17.21.020

Chapter 17.21 must adhere and align with the goals and objectives outlined within the adopted concept plan, and as currently written, it does not. In NO portion of the adopted concept plan, is there any mention of homes needing to be, or desired to be “historic only.” This is not a goal/objective listed anywhere within this document, nor is there any historic significance in this area, being the majority of homes surrounding Park Place were constructed between the 1960’s and 1980’s (data found on page 11 of the Park Place concept plan). The contrary is stated repeatedly and throughout the concept plan, outlining the desires, goals, and objectives that seek and require a variety of housing

types, styles, and a mix of architectural design, as demonstrated in the quoted sections above. Sub sections 17.21.010 and 17.21.020 clearly require “historic only” design and architecture. As written, builders and homeowners can only construct Queen Anne, Bungalow, Foursquare, or Vernacular Farmhouses. This code requirement, as outlined in these sections of 17.21, directly conflicts with the goals and objectives adopted in the concept plan, by restricting home design and architecture to a specific type of construction. The “historic only” requirement, written in chapter 17.21, needs to be removed completely in order to align with the final adopted Park Place concept plan.

“No Front Load Garage” Requirement – Sub section 17.21.090

In NO portion of the final adopted Park Place concept plan is there any mention that single-family detached residences will be required or desired to adhere to “NO front load garages OR alley load only.” As demonstrated in the quoted sections above, the contrary is stated repeatedly throughout the concept plan, outlining the desires, goals, and objectives that seek green street design, minimal impervious streets, and the desire NOT to overbuild roads. The only reference to alley load development, in the entire Park Place concept plan, is listed on page 27, which states, “*Multi-family housing: Vehicle access is provided in the rear and with alleys*” which is affiliated with multi-family only, and not applicable to single-family detached homes. Again, there is a direct conflict and huge disconnect between the final adopted concept plan and Chapter 17.21, as written. In respect to single-family detached development, the “NO front load garage” requirement, as written in chapter 17.21, needs to be removed completely in order to align with the final adopted Park Place concept plan. In addition, and for the same reasons explained above, newly proposed Chapter 16.12.026, requiring alley load development throughout ALL medium zones in the Park Place area, needs to be removed completely in order to align with the final adopted Park Place Concept plan.

“Raised and skirted” front porch requirement – Sub section 17.21.050

Subsection 17.21.050, requires elevated and skirted front porches. Like above, this requirement is not listed or mentioned in the Park Place Concept Plan as a goal, objective or directive. In addition, and most importantly, this current required design standard will result in unnecessary steps at the main entry points of all homes that would be burdened with this requirement, making ADA access at all front entries impossible to meet. For these reasons, we urge the City Commission to remove this requirement from chapter 17.21

South End Concept Plan - Goals, Objectives, and Implementation, as outlined within:

The concept planning process for South End began in 2013 and was adopted by the City Commission in 2015. Code section 17.22 (Existing Code Implementation of the South End Concept Plan) does appear to align closely to the adopted concept plan. In it, and unlike the Park Place Concept plan, there is mention of a desire for some alley load development, and the implementation of historic influenced design standards. Chapter 17.22 does NOT require “historic only” architecture, nor does it require NO front load garages. Unlike chapter 17.21 (implementation of Park Place concept plan), the

requirements in Chapter 17.22 DO appear to align with the goals and objectives of the South End concept plan.

“Raised and skirted” front porch requirement – Sub section 17.22.050

Subsection 17.22.050, requires elevated and skirted front porches. Like above, this requirement is not listed or mentioned in the South End concept plan as a goal, objective or directive. As mentioned above, and for the same reasons affiliated with ADA compatibility, we urge the City Commission to remove this requirement from chapter 17.22.

For the reasons outlined above, we ask the City Commission amend Chapters 17.21, 17.22 and 16.12.026 to:

- Remove the “historic only” requirement from Park Place chapter 17.21
- Remove the “NO front load garage” requirement from Park Place chapter 17.21
- Remove the “alley load” requirement, affiliated with single-family detached in Park Place from chapter 16.12.026
- Remove the “raised and skirted” front porch requirement from chapters 17.21 and 17.22

If for any reason the City Commission is not comfortable making these code amendments, we ask that you please remand both Park Place and South End concept plans back to city staff and the Oregon City Planning Commission so they can revise the affiliated chapters of code to adhere and align with the goals and objectives set forth in both of these final adopted concept plans, AND to ensure they align with the goals and objectives outlined within the equitable housing platform.

We greatly appreciate your help in ensuring chapters 17.21, 17.22 and 16.12.026 are correctly written and implemented, so they align with what was adopted in the final concept plans. It is clear that the current and proposed code amendments, in the above referenced chapters, do not align with the goals, objectives, directives, and spirit of the equitable housing program nor do they adhere to what was clearly defined in the final adopted concept plans.

Sincerely,



Darren Gusdorf

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September 23, 2024

VIA E-MAIL

Greg Stohl, Chair
Planning Commission
City of Oregon City
625 Center Street
Oregon City, OR 97045
cc: Aquilla Hurd-Ravich, Community Development Director

RE: Oregon City Park Place Concept Plan Code Amendments (Legislative File GLUA 24-013/LEG-24-01)

Dear Chair Greg Stohl,

Emerio Design works with Icon Construction and Development (ICON) for land use and civil engineering needs. I am writing in response to the proposed code amendments proposed in the Park Place Concept Area as ICON is directly impacted by these proposed amendments.

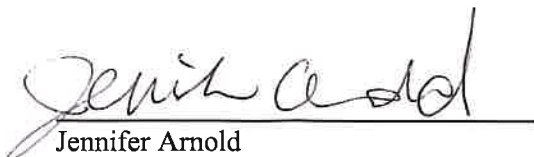
ICON has previously testified to express concerns regarding proposed code amendments in this area but were told it was not the proper venue for such testimony. I believe now is the time to formally introduce the 2019 testimony submitted by ICON for the record as the comments and concerns are still relevant. You will find this testimony in Exhibit A attached to this letter.

The proposed amendments to the design standards are concerning as the cost of development is significantly increased and ultimately passed down to the homebuyer. Exhibit B attached to this testimony is a stamped letter from an engineer providing an overview of the development costs specifically related to alley load requirements and garage orientation. Additionally, these changes for alley loading or detached garages will significantly impact the overall stormwater design. The increased impervious surface created will necessitate the need for larger and more water quality facilities. This appears to conflict with the intent of proposed design changes.

Due to the amount of information submitted from the community and published by the City, I respectfully request the Planning Commission continue this hearing to a date certain.

If you have any questions, please feel free to contact our office at 503-746-8812.

Respectfully,
Emerio Design LLC



Jennifer Arnold
Project Manager/Planning Department Manager & Director of Operations (Eugene)

Exhibit A



CCB#150499

1980 Willamette Falls Dr. #200, West Linn OR 97068 503-657-0406

January 23rd, 2019

Mayor Holladay and City Commissioners:

I'm writing to you in response to staff and city commission discussions that took place at the January 16th hearing, related to the removal of OCMC chapters 17.21 and 17.22, that outline the Park Place and South End design requirements. I'm reaching out to you in hopes to shed some perspective directly from a local home building company, that has had a strong presence in Oregon City for the past 20 years. Icon is heavily vested in Oregon City; past, present and future, and shares the same goals outlined in the current code reform currently before you today.

As you know, the main emphasis of revamping the development sections within the OCMC, is to inject a variety of different affordable housing products into Oregon City's market. We applaud the work performed by city staff, the appointed task force, the planning commission, and others who have vested many hours into bringing their ideas, goals, and objectives forward. We see good opportunities to come, and are excited and eager to venture together with the city, as partners, to implement this vision. I use the word partnership, because it's a critical component, needed to achieve the goals set forth within this equitable housing program. Without the community, city staff, planning commission, city council, land developers, home builders and future home buyers working together cohesively to create a platform suitable and obtainable by all parties, this program will not thrive, nor will it ever come to fruition. Without fairness and balance, it goes nowhere.

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- *The roof design must utilize either a gable or hip roof system.*
- *The building facade includes two or more offsets of 16-inches or greater.*

- *A roof overhang of 16-inches or greater.*
- *A recessed entry that is at least 2-feet behind the furthest forward living space on the ground floor, and a minimum of 8-feet wide.*
- *A minimum sixty 60 square-foot covered front porch that is at least five 5 feet deep OR a minimum forty 40 square-foot covered porch with railings that is at least five 5 feet deep AND be elevated entirely a minimum of eighteen 18-inches.*
- *A bay window that extends a minimum of twelve 12-inches outward from the main wall of a building and forming a bay or alcove in a room within.*
- *Windows and main entrance doors that occupy a minimum of fifteen 15 percent of the lineal length of the front facade (not including the roof and excluding any windows in a garage door).*
- *Window trim (minimum four 4-inches).*
- *Window grids on all street facing windows (excluding any windows in the garage door or front door).*
- *Windows on all elevations include a minimum of four 4-inch trim.*
- *Windows on all of the elevations are wood, clad wood, or fiberglass.*
- *Windows on all of the elevations are recessed a minimum of two 2 inches from the facade.*
- *A balcony that projects a minimum of one foot from the wall of the building and is enclosed by a railing or parapet.*
- *Shakes, shingles, brick, stone or other similar decorative materials shall occupy a minimum of sixty 60 square feet of the street facade.*
- *All garage doors are a maximum nine 9-feet wide.*
- *All garage doors wider than nine 9-feet are designed to resemble two 2 smaller garage doors.*
- *There are a minimum of two 2 windows in each garage door.*
- *A third garage door is recessed a minimum of two 2 feet.*
- *A window over the garage door that is a minimum of twelve 12 square feet with window trim (minimum four 4-inches).*
- *There is no attached garage onsite.*
- *The living space of the dwelling is within five 5 feet of the front yard setback; or the driveway is composed entirely of pervious pavers or porous pavement.*

We're not refuting or objecting to any of these existing design requirements. Although it did take some time for our building team to learn these, and implement them correctly within our building product, we worked with the city to understand them and have designed our homes to ensure they conform. We understand the significance and respect the goals and objectives set forth within these standards that are required in Oregon City. As written, they heavily target the implementation of historic elements and they also reduce garage massing by requiring more elements when street facing garage facades increase in size. The objectives set forth in the Park Place and South End concepts plans are already easily met by adhering to the current code criteria set forth in chapter 17.14.

Chapters 17.21 and 17.22 reach far beyond the standards set forth in chapter 17.14 by requiring very rigid and specific requirements that dictate a single style of architectural design; historic only. Not only do these standards drive up the costs of construction, they

drastically limit what type/style of product can be built. This code forces a style of architecture that is desired by very few, which will have a HUGE impact on the marketability of these homes. We are mindful and respectful of the historic significance and influence within Oregon City's architecture, and we understand the importance of it when it is applicable. We are very proud of the work that we did to fully restore the Mathew McCarver house, in which we preserved all of the historic construction elements (roofing, siding, structure/bones, windows, doors, hardwoods, hardware, etc.), in conjunction with a full renovation and restoration of this home. Bringing this boarded up and forgotten about treasure back to life in 2007 was very challenging, but also extremely rewarding (I've included some before and after pictures reflecting the work that was done, for your interest only). The point being, We DO appreciate and respect the history and true era architecture in this city, but it needs to make sense and be appropriate and proportionate to the overall goals of the city, community, home builders and future homeowners. Rick Givens provided testimony in his January 14th letter to the city commission that referenced our McCarver Landing development and the requirement that the newly constructed homes, surrounding the McCarver house, had to be constructed in a Vernacular architecture form, to match that of the McCarver home. We didn't object to this requirement, as we understood the significance of these homes abutting the McCarver home. We understood the concept of blending historic construction with new construction in this development, and we followed the guidelines set forth within the conditions of this development that we agreed to. During the 1-16-19 hearing, one of the commissioners stated that we should understand and respect the significance of these requirements. I want to state clearly that we did then and still do today.

Unfortunately, our point that was highlighted in Rick Given's letter, was misconstrued. We were merely trying to emphasize that we've gone down this road before, following specific historical home architecture designs as dictated on just a few of our homes in McCarver Landing, and this was received very poorly by the general public. We learned very quickly, that mimicking historical era construction, is not in high demand. The absorption rate was extremely low, and the homes had to be discounted drastically to instigate sales. One commissioner at the 1-16-19 hearing stated, "look at these homes now, they are occupied, eventually they sold." This is not a model that any builder should be burdened to follow nor does it offer Oregon City home buyers any variety or flexibility with the architecture designs and styles that they desire and can chose from. Forcing builders and home owners to construct homes that don't appease the majority of the public, directly conflicts with the spirit of this equitable housing program. These two code sections offer no flexibility of any kind, and they blanket two very large areas in Oregon City, that will soon house thousands of single-family dwelling units. Requiring "historic only" design and architecture into these areas is a recipe for disaster, and the McCarver Landing example was only used to illustrate our experience with this before, and at a much smaller scale. The required style of architecture completely prohibits home builders any opportunity to conform to market demand. Dictating historical homes throughout ALL development in these planned areas, prohibits any ability to conform to the community's wants and needs. Historical era construction only, is simply far too much to require in these two very large concept areas. I've included the sample pictures (inserted directly from the code sections themselves) that reflect the required styles of

architecture per sections 17.21 and 17.22, as well as a picture of a vernacular home that was required and constructed in McCarver Landing for you to reference.

In addition, and what was discussed very little at the 1-16-19 hearing, are the garage requirements found within the Park Place concept chapter 17.21. This chapter requires **NO** front load garages. Only side load, rear load, detached, or NO garages are allowed. Not only do these standards drive up costs of development and home construction, they are not practical or even obtainable within the diverse zoning districts in these two concept areas. I'll explain each of these garage options below in hopes to provide some insight as to why these standards would be extremely problematic:

Side entry garages, unless on a corner lot, require a minimum of 40' side yard for driveway access and vehicle maneuverability. This width is needed alongside a home so that vehicles can appropriately enter the garage. That's not feasible on any lots that aren't corner oriented. Taking 40' of width out of a lot for driveway/access, leaves no room for a home to fit within the remaining buildable envelope. Unless you have a lot width of at least 90'+, this simply does not work. The comp plan for Park Place consists of a variety of different blended zonings. Sideload garage orientations will not be feasible in high, medium, and most low-density zones. These simply do not work.

For similar reasons above, detached garages are not feasible in most zones, simply because there is not enough room on building lots to get them to work. It's very challenging to create lots that will conform to what is needed to make rear load garages possible. This configuration requires a minimum of 20' clear space for a driveway along the home and property line, which again diminishes the remaining buildable area for homes to fit. This configuration also requires a much deeper lot to create room in the back of the property for a garage, within the setbacks, and with ample clearance and separation between it and the home. This requires deeper lots which reduces widths to meet lot size area. This absolutely does not work in medium, high, and most low density zoning districts. Beyond that, and even if this configuration could work, this requirement still creates another hardship on the property, builder and home owner, as the general public does not want a garage detached from their home. We live in a rainy climate here in Oregon. Homeowners do not want to walk through the elements from their garage to their home. Detached garages are not sought after by the general public.

We've had experience with rear entry garages in Oregon City. These require alleys, which doubles the quantity of roads within a development, further driving up development and final lot costs. Beyond being more expensive to develop, alley projects create more impervious area, which create further hardships pertaining to storm water management, and they are a poor use of land as a resource (by creating more roads and hardscapes vs. planted green areas). In the end, homeowners are left with little to no rear yards. Oregon City homebuyers want rear yards. They often have kids, pets, or simply want to enjoy privacy within their fenced-in rear property. What little room that is left from rear yard loaded garages, can't be fenced and adhere to vision requirements, and these homes are left with little to no usable yard area. This is another product, that we have had experience constructing, that is not sought after by the consumer.

So, after the above configurations are explored and deemed not physically or economically feasible by the developer and home builder, and not desired by the general public, the last option is to construct a home with NO garage. That's a non-starter. People want garages. They drive cars. They store things. Garages are an amenity and staple in today's homes that homeowners are not willing to give up. So, the "no garage" option, is simply not an option in a single-family residential district. Apartments, sure, but not when constructing single family detached residential homes. If a builder is forced to build a home without a garage, he/she better plan on using it for a rental. It will never sell as there is little to no market for homes without garages.

We are very hopeful that you will see the magnitude of development challenges, added costs, diminished home values, and the burden and hardship that these two chapters will place on developers, builders and future homeowners in these two concept areas, if chapters 17.21 and 17.22 aren't removed from the OCMC. I say again, successful development requires a collective partnership with all parties involved. If it becomes unbalanced, the equitable housing program will be unsuccessful in these concept areas. Chapters 17.21 and 17.22 completely conflict with the objectives and goals outlined within this program, and the impact is severe when blanketing these two areas and thousands of future home sites with these very strict and specific requirements.

I appreciate your time and consideration to all parties impacted, while you and city staff continue discussing the removal of chapters 17.21 and 17.22. Other members from the building and development community will continue attending and speaking at each of the upcoming hearings. I will be attending all upcoming hearings, and would be more than happy answering any questions related to this letter and the current round of code reform if asked to come forward for further testimony.

Sincerely,



Darren Gusdorf

General Manager - Commercial & Residential Division
ICON Construction & Development, LLC #150499
1980 Willamette Falls Drive, Suite 200 | West Linn, OR 97068
503.657.0406 office | 503.655.5991 fax
darren@iconconstruction.net

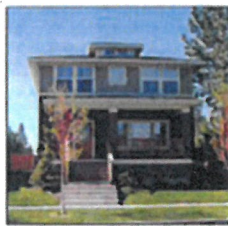
Required styles of architecture per OCMC chapters 17.21 and 17.22



Western Farmhouse/Vernacular



Bungalow (Craftsman)



Foursquare



Queen Anne Vernacular

SAMPLES ABOVE ARE CUT & PASTED
FROM CODE SECTIONS 17.21 AND 17.22

***Note Historic Era Architecture with
no garages.

Vernacular Style as Required and Constructed in McCarver Landing





CCB#150499

1980 Willamette Falls Dr. #200, West Linn OR 97068 503-657-0406

March 20th, 2019

Park Place and South End Concept Plans

Mayor Holladay and City Commissioners,

After reading through the final adopted Park Place concept plan, it's very clear that there are significant deviations between it and the correlating chapters of code that were derived from it. OCMC 17.21 (Existing Code Implementation of the Park Place Concept Plan) and OCMC 16.12.026 (Proposed code section that would require ALL alley load development in medium zones within both Park Place and South End concept areas), do not correctly implement the goals, objectives, and directives outlined in the final/adopted Park Place concept plan. These chapters of code, and the sole purpose of these code sections themselves, must adhere and align with the goals and objectives outlined and defined within the adopted concept plan, and they do not. The "historic only" home construction requirements found in section 17.21, the alley load requirement found in section 16.12.026, and the NO front load garage requirement found in chapter 17.21, directly conflict, and would achieve the opposite of what was approved and adopted in the Park Place concept plan. For the reasons explained below, we urge the City Commission to modify Chapters 17.21, 17.22, and 16.12.026, to align with the goals and objectives outlined within the Park Place and South End concept plans. This can be accomplished by leaving the existing concept plans intact, with minor modifications to each of these applicable sections of code.

Park Place Concept Plan - Goals, Objectives, and Implementation, as outlined within:

The concept planning process for Park Place began in 2006 and was adopted by the City Commission in 2007. The plan objectives, core values, and community design, was written very clearly and these visions were highlighted and repeated consistently throughout this final adopted plan. Quoting multiple sections from the Park Place concept plan, this is what is written within:

"We value a choice of housing types, densities, and price ranges" – page 8

“We value a transportation system that limits congestion without overbuilding roads” – page 9

“Create a mix of housing types that include ranges of affordability, developing a variety of housing types and sizes” – page 23

“A variety of housing sizes and types attract a mixture of ages, incomes, family structures and lifestyles to help create a richer, more diverse community.” – page 27

“Single family houses can be a range of sizes, styles, and colors.” – page 27

“Each street is carefully sized to carry the expected travel demand it is intended to serve while minimizing the impact of unnecessary impervious surface.” – page 36

“In general, it is recommended that the City incorporate Best Management Practices including reducing paved, impermeable surfaces.” – page 56

“Concept plans must address the following elements: Housing (density, diversity, affordability). – page 59

“The Park Place Concept Plan strives to provide the Park Place plan area with development flexibility, and housing choices...” – page 59

“Support architectural integrity and variety in residential and mixed-use neighborhoods.” – page 62

“Create design standards for Park Place in order to ensure diverse, compact, attractive, and community-oriented residential development.” – page 62

“Consider developing and adopting architectural variety requirements for subdivision development.” – page 63

“Create flexibility in development standards to allow for alternative housing types.” – page 63

Chapter 17.21 – Park Place Code Adopted and Implemented:

“Historic Only” Requirement – Sub sections 17.21.010 and 17.21.020

Chapter 17.21 must adhere and align with the goals and objectives outlined within the adopted concept plan, and as currently written, it does not. In NO portion of the adopted concept plan, is there any mention of homes needing to be, or desired to be “historic only.” This is not a goal/objective listed anywhere within this document, nor is there any historic significance in this area, being the majority of homes surrounding Park Place were constructed between the 1960’s and 1980’s (data found on page 11 of the Park Place concept plan). The contrary is stated repeatedly and throughout the concept plan, outlining the desires, goals, and objectives that seek and require a variety of housing

types, styles, and a mix of architectural design, as demonstrated in the quoted sections above. Sub sections 17.21.010 and 17.21.020 clearly require “historic only” design and architecture. As written, builders and homeowners can only construct Queen Anne, Bungalow, Foursquare, or Vernacular Farmhouses. This code requirement, as outlined in these sections of 17.21, directly conflicts with the goals and objectives adopted in the concept plan, by restricting home design and architecture to a specific type of construction. The “historic only” requirement, written in chapter 17.21, needs to be removed completely in order to align with the final adopted Park Place concept plan.

“No Front Load Garage” Requirement – Sub section 17.21.090

In NO portion of the final adopted Park Place concept plan is there any mention that single-family detached residences will be required or desired to adhere to “NO front load garages OR alley load only.” As demonstrated in the quoted sections above, the contrary is stated repeatedly throughout the concept plan, outlining the desires, goals, and objectives that seek green street design, minimal impervious streets, and the desire NOT to overbuild roads. The only reference to alley load development, in the entire Park Place concept plan, is listed on page 27, which states, “*Multi-family housing: Vehicle access is provided in the rear and with alleys*” which is affiliated with multi-family only, and not applicable to single-family detached homes. Again, there is a direct conflict and huge disconnect between the final adopted concept plan and Chapter 17.21, as written. In respect to single-family detached development, the “NO front load garage” requirement, as written in chapter 17.21, needs to be removed completely in order to align with the final adopted Park Place concept plan. In addition, and for the same reasons explained above, newly proposed Chapter 16.12.026, requiring alley load development throughout ALL medium zones in the Park Place area, needs to be removed completely in order to align with the final adopted Park Place Concept plan.

“Raised and skirted” front porch requirement – Sub section 17.21.050

Subsection 17.21.050, requires elevated and skirted front porches. Like above, this requirement is not listed or mentioned in the Park Place Concept Plan as a goal, objective or directive. In addition, and most importantly, this current required design standard will result in unnecessary steps at the main entry points of all homes that would be burdened with this requirement, making ADA access at all front entries impossible to meet. For these reasons, we urge the City Commission to remove this requirement from chapter 17.21

South End Concept Plan - Goals, Objectives, and Implementation, as outlined within:

The concept planning process for South End began in 2013 and was adopted by the City Commission in 2015. Code section 17.22 (Existing Code Implementation of the South End Concept Plan) does appear to align closely to the adopted concept plan. In it, and unlike the Park Place Concept plan, there is mention of a desire for some alley load development, and the implementation of historic influenced design standards. Chapter 17.22 does NOT require “historic only” architecture, nor does it require NO front load garages. Unlike chapter 17.21 (implementation of Park Place concept plan), the

requirements in Chapter 17.22 DO appear to align with the goals and objectives of the South End concept plan.

“Raised and skirted” front porch requirement – Sub section 17.22.050

Subsection 17.22.050, requires elevated and skirted front porches. Like above, this requirement is not listed or mentioned in the South End concept plan as a goal, objective or directive. As mentioned above, and for the same reasons affiliated with ADA compatibility, we urge the City Commission to remove this requirement from chapter 17.22.

For the reasons outlined above, we ask the City Commission amend Chapters 17.21, 17.22 and 16.12.026 to:

- Remove the “historic only” requirement from Park Place chapter 17.21
- Remove the “NO front load garage” requirement from Park Place chapter 17.21
- Remove the “alley load” requirement, affiliated with single-family detached in Park Place from chapter 16.12.026
- Remove the “raised and skirted” front porch requirement from chapters 17.21 and 17.22

If for any reason the City Commission is not comfortable making these code amendments, we ask that you please remand both Park Place and South End concept plans back to city staff and the Oregon City Planning Commission so they can revise the affiliated chapters of code to adhere and align with the goals and objectives set forth in both of these final adopted concept plans, AND to ensure they align with the goals and objectives outlined within the equitable housing platform.

We greatly appreciate your help in ensuring chapters 17.21, 17.22 and 16.12.026 are correctly written and implemented, so they align with what was adopted in the final concept plans. It is clear that the current and proposed code amendments, in the above referenced chapters, do not align with the goals, objectives, directives, and spirit of the equitable housing program nor do they adhere to what was clearly defined in the final adopted concept plans.

Sincerely,



Darren Gusdorf

General Manager - Commercial & Residential Division
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March 29th, 2019

Alley Load Development in Oregon City Concept Plan Areas – Chapter 16.12.026

Mayor Holladay and City Commissioners,

In an effort to demonstrate the adverse impacts of alley load development here in Oregon City, I visited all (9) existing alley load development projects here in town, and have included photographs and observations for you to review. If time allows before the upcoming April 3rd hearing, I ask that each of you to please visit these sites so you can see first-hand the design challenges and the end result of alley load development. These (9) existing alley load projects in Oregon City are:

- Sequoia Landing - Glen Oak Road and Coast Redwood Avenue.
- Sequoia Crossing - Glen Oak Road and Berge View Avenue.
- Meriwether - Thayer Road and Wynton Drive.
- Caufield Place - Caufield Road and Voyage Road.
- Dawn Meadows - Rose Road and Sprite Way.
- Filbert Run - Central Point Road and Hazelnut Avenue.
- Douglas Grove - Thayer Road and Blue Blossom Way.
- Maple Lane - Sugarpine Street and Whitehorse Court.
- Glen Oak Meadows - Mossy Meadow Drive Avenue and Brittany Terrace

As outlined in prior testimony, alley load development will drive up home prices. Building twice as many streets will impact the overall cost of development, it will increase lot costs accordingly, and the end user will see higher priced homes as a result. Beyond that, it is our firm belief that alley load development creates an inferior and less desirable product to the end user, when compared to standard/typical front load garages with functional rear yards. I'm hopeful the attached pictures and details will assist with you coming to the same conclusion.

In addition, the city is now proposing to place all future ownership and maintenance responsibilities affiliated with future alleys, directly in the hands of the future property owners and communities that adjoin alleys. This is in response to recent discussions between planning and public works, after public works voiced their concerns affiliated with alley load development within this city (constrained streets, more expense, more burden on the city requiring more streets to maintain, more burden to city storm, etc.). If this comes to fruition,

this will put the burden on the future homeowners to pay for all future maintenance of these “extra” streets. That forces HOA’s, which is another deterrent of future homebuyers, and adds more cost that they must bear. Salt on the wound if you will. Not only will alley load drive up finished home prices, this newly proposed “solution” to who’s going to pay for and maintain the alleys, just got worse. Let’s create an inferior product, that costs more to the consumer, and then tax them on the alley load streets via an HOA. How does this help promote equitable housing? It achieves the opposite. Even more concerning is what condition these alleys will be in when maintenance is needed and necessary repairs are taken out of the hands of the city. Making an HOA the decision maker on when/if street maintenance is needed will be problematic. And what happens when an HOA dissolves or is disbanded, which is not uncommon after developers establish them and turn them over to the community?

This example is not intended to discredit any members of city staff in anyway. We greatly appreciate ALL members of OC’s staff, in all departments. I’m just pointing out what we’re experiencing more and more of lately, in nearly all of the jurisdictions that we work in. “Solutions” that don’t solve the problem, and directly conflict with the goals and objectives of the equitable housing program. It’s a pattern that we’re seeing regularly, in which the proverbial can gets kicked down the road, through development, and onto the end user. This is a major factor that has led us to where we are today, with home prices continuing to rise. Increased development fees and costs, more construction standards, more development requirements, more planning restrictions, are ALL factors that drive up housing prices. Then we’re asked why homes are so expensive to construct??? We’re never going to achieve a realistic and obtainable approach to equitable housing until these issues are dealt with head on. Alley load development does not align with the demands of the consumer, nor will it in anyway, create opportunities to bring home prices down. The end result is what it is, home prices will continue to rise.

Again, we greatly appreciate your time and effort spent on reviewing the current code revisions and ensuring the final code adoptions align with the goals and objectives of the equitable housing program. We’re hopeful you can see the negative impacts affiliated with alley load development. Not just from members of the development community, but from the views and prospective of the community in full, including the desires of neighboring property owners and future homebuyers in whole.

Sincerely,



Darren Gusdorf

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Exhibit B



September 23, 2024

Harlan Borow
ICON Construction & Development, LLC
1969 Willamette Falls Drive, Suite 260

RE: Alley Load and Side Load Development and Cost Impacts

Dear Harlan,

Based on our conversation I have reviewed your request to analyze the impact of the proposal to require detached garages on typical subdivision developments.

Using a typical subdivision layout with 50x100 lots as an example, we can see the following impacts. An alley loaded home layout would require an additional roadway for every bank of lots. A standard lot pattern uses one ~54' wide ROW to access 100' wide lots on either side. This equates to roughly 254' of width for two homes and one ROW. Introducing an alley to the equation would require an additional 30' of tract for every two rows of homes.

ALLEY LOAD ANALYSIS

Impervious Area:

For every 50' of street frontage with no alleys one could expect ~2200 SF of impervious area from sidewalks, curbs, and pavements. Then each lot might produce ~2500 SF of impervious for two lots or a total of 7200 SF of impervious per 50' of frontage. When an alley is added to the layout, ~25'x50' of additional impervious area is added to this theoretical length of development. The result is roughly 15 to 20% more impervious area needed for the added roadway. Furthermore, most of the developable land available for new housing does not allow for endless grids of roadways, therefore the end conditions related to subdivision development must be considered. End conditions dictate 50% to 100% of all lots will be forced to have a single loaded alley. This would increase the added impervious to 20% to 25% on average. The result of this increased impervious area would yield larger storm water management tracts somewhat proportional to the added impervious area. Additionally, storm drainage pipe diameter would need to be increased to convey the added design flow.

Road Design and Construction Challenges:

New alleys require curbs, pavement drainage and other associated road building items. Grade transitions between lots often are addressed in the rear yards will now require driveways to rear load garages. Placing a road in the rear of each lot will remove the flexibility of the builders on even the most modest of sloping sites. Roadways generally require a flat cross section. Adding another "flat area" on a sloping site will result in cumbersome grading challenges and expensive walls. Adding alley roads along the boundary of proposed development will require giving up land for slope, road geometry or areas for walls.

Lot yield will be decreased with the added land required for alleys, end condition grading, and added storm water management facilities. The added impervious area, plus additional pond size, plus grading on the project limits would generally result in a loss of lot yield of one third.

Construction Cost Implications:

Added roadways, larger storm facilities and cumbersome site boundary upgrades would yield additional construction costs in the range of 30%. However, note that the costs would increase as the size of the site decreases.

Construction Costs:

Alley loaded construction will add 25% to 50% to the cost of the overall development.

SIDE LOAD ANALYSIS

The side load analysis would require the bulk of the improvements to be deferred to the home builder rather than during the construction of the greater subdivision. Similar to the analysis above, added impervious area and storm water management facilities would be required, proportional to each lot, as each lot would require longer driveway. We would anticipate each formerly 50' wide lot would now need to be roughly 75' in width to accommodate the side load garage. This could result in a lot yield loss of a proportional 50%.

We look forward to hearing from you. If you have any questions, please feel free to contact our office at 503-746-8812.

Respectfully,
Emerio Design, LLC

Eric Evans, PE
Civil Engineer

Good evening, Chair Stoll and members of the Planning Commission and City Staff

My name is Harlan Borow and I am the Land Development and Acquisitions Manager at Icon Construction and Development. We are based in West Linn and have been a developer and home builder in Oregon City for many years.

As you may know, Icon and its affiliated entities are one of the larger land owners in the North Village of the Park Place Concept Plan Area.

We are **actively** engaged in working with the city to find mutually agreeable pathways and processes to achieve many of the most important goals and objectives of the Park Place Concept Plan, and other city infrastructure master plans, **especially** the much-needed north-south Holly Lane arterial connection between Holcomb Blvd and Redland Rd.

We commend the staff on the **hard work** they have put in and for the Planning Commission working through this difficult and detailed process since May.

A number of the proposed changes have material financial implications to development within the Park Place Concept Plan area. Although we followed the prior meetings, until released last week, we did not know what the final version looked like and there is a **significant** amount of material to digest. As such, we respectfully request the Planning Commission keep the comment period open and accept additional public comment at the next regular Planning Commission meeting.

While there are many areas that we support, there are a number of topics where we disagree with the proposed changes. More detailed testimony ^{written} will follow from ^{was provided by} our land use attorney Garrett Stevenson of Schwabe, and our planner, Jennifer Arnold of Emerio Design.

At a high level, the major areas where we have disagreement are:

- Park and Trail Dedication or Fee-in-lieu payments:
 - Garrett will detail why we believe **proper remuneration** for dedicating or paying fee-in-lieu for otherwise developable land is necessary.
 - Assuming that issue is resolved, the process of putting the burden on the earlier developers until the desired park land and trails are

acquired, while later developers reap the benefits but do not have to participate in the costs, seems unfair and should be reconsidered.

- The second issue is with Garage Orientation Standards:

- ~~Both Garrett and Jennifer~~ ^{Provided} will speak to these issues.
- Icon presented letters and testimony back in 2018-2019 explaining in great detail why it made no sense to prohibit front-loaded garages while requiring only side, rear, detached or alley-loaded garages, because:

- The requirement is **not** contemplated in the Park Place Concept Plan
- It **Greatly** increases the cost of development and house construction, both of which run counter to the goals of affordability
- Such garages are **Not** what the market wants. In fact, it would be surprising to learn that any of the commissioners, staff ^{or} ~~audience members~~ ^{will limit the number of builders.} have such a garage.

Thank you again for the opportunity to provide these comments and we look forward to working with the city to craft meaningful and economically viable code amendments.

Print

Sign up to receive project updates for the upcoming code revisions - Submission #1010

Date Submitted: 9/12/2024

First Name*	Last Name*
Janice & Ron	VanDomelen
Email Address*	
vandomelen6966@comcast.net	
Comments	

Do you want to share anything with the Planning and City Commissions about the upcoming work to implement the Park Place Concept Plan with clear and objective standards?

Pete Walter

From: Barbara (Bea) Cox <bacox.do@gmail.com>
Sent: Friday, September 6, 2024 4:27 PM
To: Pete Walter
Subject: Beemer Way connection

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear Mr. Walter,

I have received notice about the Sept. 23rd Planning Commission meeting.

It appears to me that the Swan Rd exit from the North Village will be connected to the east end of Beemer Way.

I'm writing to find out if this is the case, and if so, to express concerns about routing more traffic along this road that is heavily used by children.

Also, there are parts of the road that are quite narrow, allowing only one lane of traffic including the stretch closest to Holcomb.

I am also looking for the appropriate person for me to ask about the Clackamas Heights redevelopment, I am concerned about the projected loss of tree cover and how that will affect the entire neighborhood. If you can address that also, it would be great, if not, can you point me to someone who would be able to.

Thanks very much,

Bea Cox

14120 Beemer Way



To Pete Walter, Planning Manager
City of Oregon City

RE: Park Place Concept Plan Code Amendments: GLUA-24-013 / LEG-24-01

The Board of The Hamlet/CPO of Beavercreek has received and reviewed the above listed Park Place Concept Plan Code Amendments. We have two topics we'd like to bring forward:

- Landslides – please see the two attached DOGAMI SLIDO maps. The first, a map of historic landslides in the proposed development area. The second, a map of landslide susceptibility. There are historic landslides in this proposed development area and a VERY high susceptibility of future landslides. These facts are denied in the application and coupled with the fact that you CANNOT purchase landslide insurance for your home, should give the City, the Applicant, the Representative, and the citizens of the City pause before irresponsible and dangerous development.

The City of Oregon City signed a contract with FEMA in 2019 committing to the Natural Hazards Mitigation Plan. This contract requires the restriction of development in areas of known hazards.

Development causes more and more land to be covered by impervious surfaces, not allowing water to penetrate into soils. This along with allowing development in historic and susceptible landslide areas can result in devastating losses such as the multimillion dollar homes in Rancho Palos Verdes in Southern California. We do not have to go too far back in our own memories to recall the homes that slid into the canyon off the south western end of Holly Lane and certainly the devastation from the 2005 landslides along Forest Edge forcing the evacuation of the Newell Creek Apartments.

- Transportation – Redland Road, Holcomb Boulevard, and Holly Lane, and the two intersections of these roads, and the intersection of Redland Road and Highway 213 are all at a “failing” level; meaning, unacceptable and unsafe congestion. Please see page 5 of 48 item number 11 of your Lancaster Mobley Park Place Crossing Master Plan Transportation Impact Study. Three of these roads are NOT the responsibility of Oregon City, but the County of Clackamas and the State of Oregon. Adding this type of development without the planning and funding of adequate improvements is irresponsible development.

In addition, with the recent approval of Accessory Dwelling Units on County zoned Rural Residential lots, transportation service needs will increase from the east, south, and west of this proposed development.



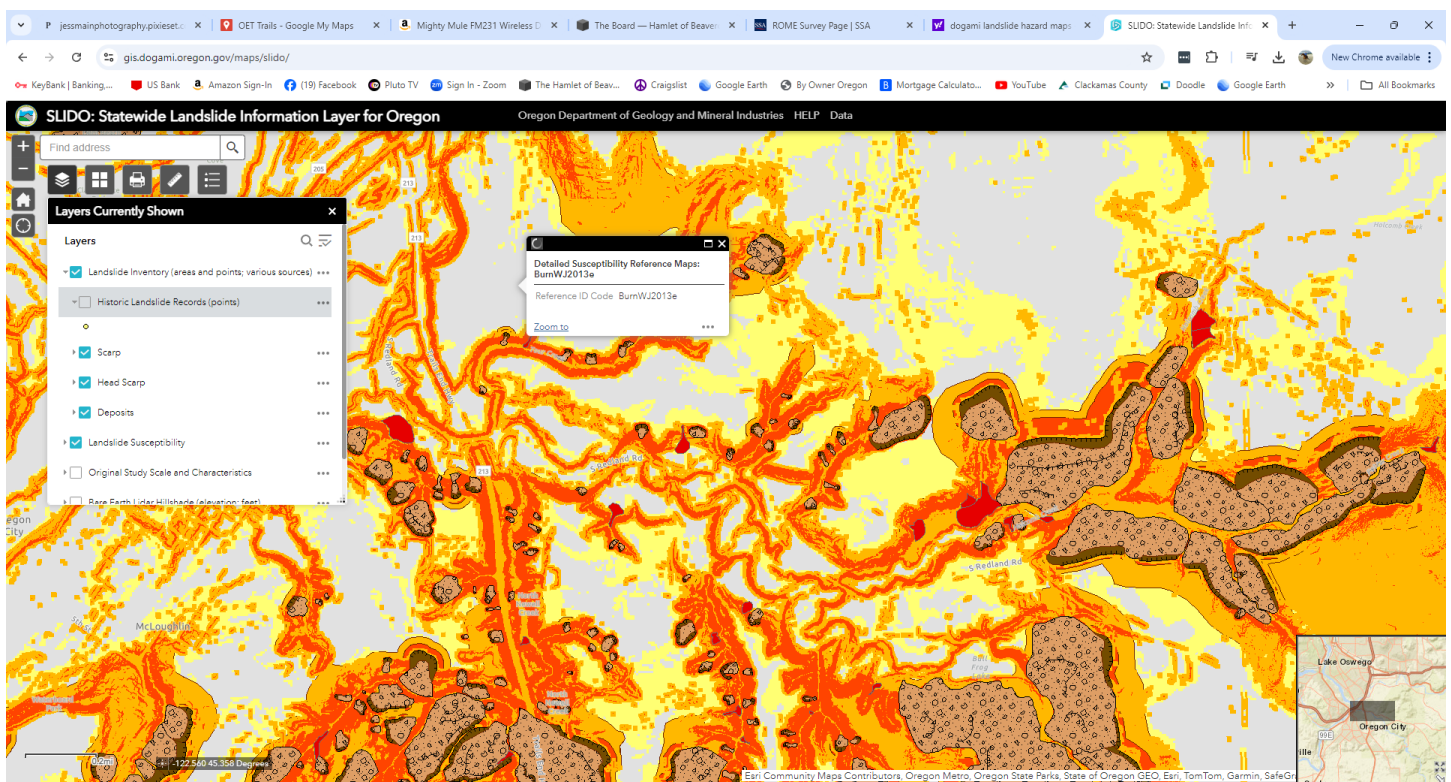
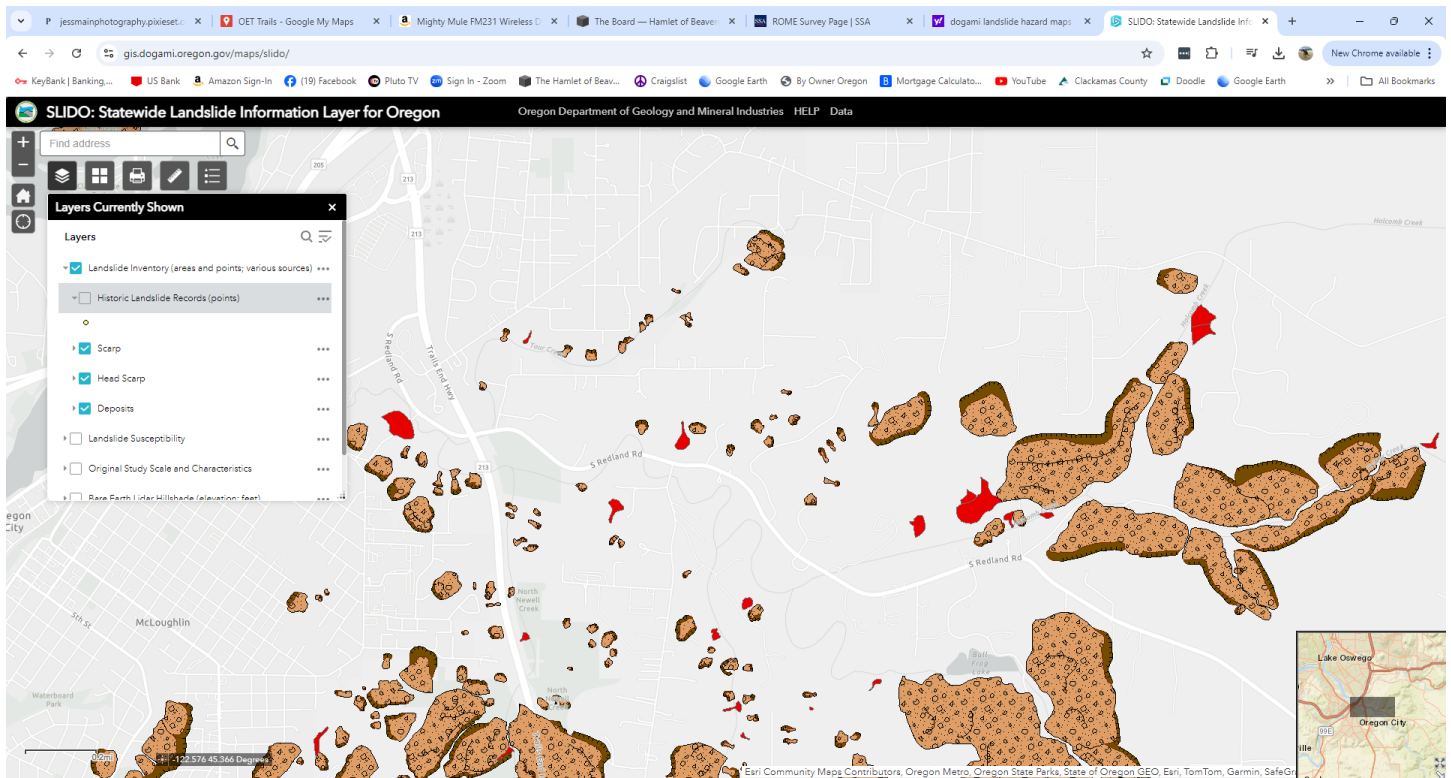
Please understand that The Hamlet/CPO of Beavercreek is not against development, only **irresponsible development** that seriously impacts the safety and quality of our citizens' lives that has no regard for "what happens after my home slides down the hill?"

We are certainly happy to provide additional information or answer questions. Thank you for this opportunity to provide input to your land use process.

Sincerely,

Tammy Stevens, Chair
The Hamlet of Beavercreek
503.939.3552

Enclosures



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SAVE CHANGES

CANCEL

First Name *

Bobby

Last Name *

Youngren

Email Address *

a1mstrkr@centurylink.net

Comments

how would this affect HollyLn Oregon city Oregon

Do you want to share anything with the Planning and City Commissions about the upcoming work to implement the Park Place Concept Plan with clear and objective standards?

Form Details

Submitted By:
Submitted On:
September 5, 2024 12:54 PM
IP Address:
63.155.101.111
Referrer:
<https://www.orcity.org/1452/Park-Place-Concept-Plan-Code-Revisions>
Answered 4 of 4 (100.0%)



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Date Submitted: 9/5/2024

First Name*	Last Name*
woody	youngren
Email Address*	
mayoungren1@gmail.com	
Comments	
Do you want to share anything with the Planning and City Commissions about the upcoming work to implement the Park Place Concept Plan with clear and objective standards?	

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Sign up to receive project updates for the upcoming code revisions - Submission #992

Date Submitted: 9/4/2024

First Name*	Last Name*
juanita	Whitaker
Email Address*	
whitaker_jp@comcast.net	
Comments	
Do you want to share anything with the Planning and City Commissions about the upcoming work to implement the Park Place Concept Plan with clear and objective standards?	

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Sign up to receive project updates for the upcoming code revisions - Submission #986

Date Submitted: 9/3/2024

First Name*	Last Name*
Mark	Lewis
Email Address*	
mfl655@comcast.net	
Comments	
Do you want to share anything with the Planning and City Commissions about the upcoming work to implement the Park Place Concept Plan with clear and objective standards?	

Sign up to receive project updates for the upcoming code revisions - Submission #987

Date Submitted: 9/3/2024

First Name*	Last Name*
Jerald	Carlson
Email Address*	
jkcarlbel@gmail.com	
Comments	
Proposing a trail that trespasses right through the backyard of private properties is ludicrous! Apparently, you are welcoming lawsuits over this plan; after all, a public trail through one's back yard will lead to homeless tents, a rise in property crimes, and myriad lawsuits, not to mention the unstable ground that exists in this area, which I personally witnessed in the 1950s and 1960s. Who is the tyrant who is running this show? Maybe we should put a public trail through their garden, and see how they like it. Yes, keep me updated on this crazy plan. Thank you.	
Do you want to share anything with the Planning and City Commissions about the upcoming work to implement the Park Place Concept Plan with clear and objective standards?	



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[SAVE CHANGES](#)
[CANCEL](#)

First Name *

Lois

Last Name *

Allen

Email Address *

lynnandlois@comcast.net

Comments

Roads Redland and Holly will there be a (Round-About or Red Light) ?? we are on Redland second house to Holly

Do you want to share anything with the Planning and City Commissions about the upcoming work to implement the Park Place Concept Plan with clear and objective standards?

Form Details

Submitted By:

Submitted On:

September 4, 2024 6:15 PM

IP Address:

71.238.30.175

Referrer:

https://www.orcity.org/1452/Park-Place-Concept-Plan-Code-Revisions

Answered 4 of 4 (100.0%)



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Sign up to receive project updates for the upcoming code revisions - Submission #965

Date Submitted: 8/26/2024

First Name*	Last Name*
Thomas	Funk
Email Address*	
tomf0305@yahoo.com	
Comments	
Do you want to share anything with the Planning and City Commissions about the upcoming work to implement the Park Place Concept Plan with clear and objective standards?	

Oregon City Planning Commission
May 13th 2024

Dear Commissioners, you have been tasked with discussing ‘Clear and Objective Standards’ that can be applied to a General Development Plan (GDP).

As you are aware an ICON GDP came before the City Commission and was denied as it didn’t adhere closely enough to the Park Place Concept Plan. LUBA and the State Court of Appeals sided with ICON due to a lack of Clear and Objective Standards and now you are here to rectify this along with city staff.

The original Concept Plan was titled the Park Place Village Concept Plan and I bring this up as it speaks to the intention behind it. The Concept Plan drafted decades ago provides our neighborhood with increased connectivity both within the neighborhood and to the rest of the City, provides a decent-sized neighborhood commercial district and a large park as well as housing. The goal was to reduce vehicle trips out of the immediate neighborhood and surrounding area via Holcomb by creating a “village” with services and recreation options hence its original title. It was a good plan, forward-thinking for its time with front-facing housing with porches, alleyways and garages behind to encourage face to face community building. The ‘green street’ designs, trails, park and commercial district with a community center increased sustainable livability.

The crucial transportation aspect of the plan was the north/south connector from Holcomb to Holly Lane which would take traffic from our neighborhood (not just the concept plan development) up to Beaver Creek Rd and the Hill Top area thus reducing traffic on Holcomb Blvd and congestion at Redland and 213. It would also provide an emergency exit/entrance from/into our neighborhood if Holcomb was blocked, which city staff at the time touted as very important. It is now even more important as climate change has heralded the age of wildfires.

Along with many others residents, I spent untold hours in meetings helping to draft this concept plan and I implore you to incorporate Clear and Objective Standards into both the OCMC and the PPCP (indeed into all concept plans going forward) that would uphold the intention of the PPCP.

Volunteers give up much of their time to help draft concept plans and in addition the City spends a fortune on staff time and consultants to help with the process. If the City has few Clear and Objective Standards drafted into code then all this is wasted effort.

We’ve had a reprieve as ICON has withdrawn their GDP, so now is the time to make sure we have smart development that adheres to concept plans and the will of the residents to keep our neighborhood and City livable and safer.

Jackie Hammond-Williams
PPNA Treasurer
503-753-5321
Jackiespins@gmail.com

Pete Walter

From: James Nicita <james.nicita@gmail.com>
Sent: Sunday, May 12, 2024 2:43 PM
To: Dirk Schlagenhauer; Karla Laws; Daphne Wuest; Gregory Stoll; Paul Espe; Brandon Dole; Bob La Salle
Cc: Oregon City Planning; Barbara Renken; Jackie Hammond-Williams; Tom Geil
Subject: Public Comments Planning Commission Meeting May 13, 2024 Agenda Item #3 Park Place Code Refinement
Attachments: Excerpt Park Place LUBA Decision.pdf; 2024-05-07 Nicita CC Public Comment Park Place.pdf
Categories: Pete, Kay

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Hi Planning Commissioners:

First, Happy Mother's Day, and I hope everyone is enjoying the spring weather.

I write respectfully with the following comments regarding the above-referenced matter.

The point of departure for my comments is the LUBA remand decision on the ICON Development's Park Place Crossing land use application for approval of a General Development Plan under OCMC 17.65.050.

I am attaching the pertinent excerpt from that decision, which remanded the City Commission's denial of the Park Place Crossing application because the denial ran afoul of the "clear and objective standards" rule. In turn, the denial ran afoul of that rule because OCMC 17.65.050 ran afoul of that rule.

I draw your attention to the following sentence from the opinion, which I have highlighted in yellow in the excerpt:

"OCMC 17.65.050(C)(6) and (7) are ambiguous because they do not, on the face of the ordinance, identify the provisions of the PPCP and comprehensive plan that a general development plan must be consistent with."

Those provisions read:

"OCMC 17.65.050 - General development plan.

(...)

C. Approval Criteria for a General Development Plan. The planning commission may approve an application for general development plan only upon finding that the following approval criteria are met:

(...)

*6. The proposed general development plan is consistent with the Oregon City **Comprehensive Plan**.*

7. *The proposed general development plan is consistent with the underlying zoning district(s) and any applicable overlay zone or **concept plans**.*"

The hopeful part of LUBA's statement is that it seems to imply that if that Oregon City did in fact amend OCMC 17.65.050(6) and (7) to "identify the provisions of the PPCP and comprehensive plan that a general development plan must be consistent with," then these two code provisions would in fact comply with the "clear and objective standards" rule.

I think that is crucial, because the integrity and livability of Park Place depends on ensuring that both the Park Place Concept Plan and the Oregon City Comprehensive Plan are in fact legally applicable to land use decisions in the Park Place concept plan area.

However, amending OCMC 17.65.050 would not completely solve the problem, because even if this code, as amended, did direct an applicant to specific provisions of the PPCP and OCCP, if those plan provisions are in turn ambiguous, they will still fail under the "clear and objective standards" test.

Therefore, it seems essential to review as well the text of both the PPCP and the OCCP for amendments that would make these documents more "clear and objective". In order to stay faithful to the idea of "comprehensive planning," I believe that such a review should take place simultaneously with the code review.

The city manager, through his employees, planning staff and the city attorney, has presented drafts of specific textual amendments to certain municipal code provisions, but not, at least yet, any proposed necessary textual amendments to the PPCP and the OCCP. I hope the Planning Commission will ensure that such amendments will occur.

In my recent comments to the city commission, I provided some ideas for both plan and code amendments to address the "clear and objective standards" issue. I am attaching those comments.

In addition, during oral public comment I additionally recommended that elements of the PPCP like the big park, the Holly Connector, and the Main Street Village be protected by a precise delineation of their location through metes and bounds surveys. That would certainly be "clear and objective."

Thank you for considering these comments.

James Nicita
Oregon City

1 The planning commission made no findings concerning whether applicable
2 criteria were limited by the needed housing statute. As in *Olstedt*, it would have
3 been strange for petitioner to file an appeal of the planning commission's decision
4 since petitioner prevailed before the planning commission, and the planning
5 commission's decision included no determination regarding the needed housing
6 statute that petitioner could appeal. In that circumstance, petitioner was not
7 required to file a precautionary local appeal in order satisfy the exhaustion
8 requirement in ORS 197.825(2)(a). It was sufficient for petitioner to raise the
9 issue before the planning commission to satisfy any exhaustion requirement.

10 Intervenor PPNA and Hammond-Williams join in the city's response and
11 additionally argue that this assignment of error is waived under ORS 197.797(1),
12 because petitioner did not raise the needed housing argument until three days
13 before the final planning commission hearing and close of the evidentiary
14 hearing. These intervenors argue that the purpose of the notice statutes is to
15 provide participants in the land use process *adequate* time to respond to issues.

16 ORS 197.797(1) provides that issues must be raised before the close of the
17 first evidentiary hearing. Petitioner did so, and we do not address this response
18 further. The issue was preserved for our review and we resolve it below.

19 **2. Clear and Objective Standards**

20 The Court of Appeals discussed the clear and objective standard in *Roberts*
21 *v. City of Cannon Beach*, explaining:

22 "LUBA, and, to a lesser extent, this court, have articulated and

1 refined the ‘clear and objective’ standard under ORS 197.307 over
2 many years. We agree with petitioners that, fundamentally, the
3 standard has two parts: First, a standard, condition, or procedure
4 must be objective. As LUBA has explained, ‘objective’ means
5 ‘existing independent of mind.’ *Nieto [v. City of Talent]*, ___ Or
6 LUBA ___, ___ [(LUBA No 2020-100, Mar 10, 2021)] (slip op at 9
7 n 6). Standards are not objective ‘if they impose “subjective, value-
8 laden analyses that are designed to balance or mitigate impacts of
9 the development on (1) the property to be developed or (2) the
10 adjoining properties or community.”’ 316 Or App 305, 311, 504
11 P3d 1249 (2021), *rev den*, 370 Or 56 (2022).

12 The court discussed the “clear” requirement in *Roberts*, explaining that
13 clear means easily understood and without obscurity or ambiguity and that “a
14 condition that could be construed ‘to support either of two diametrically opposed
15 conclusions’ is not a ‘clear and objective’ standard or condition within the
16 meaning of ORS 197.307(4)).” *Roberts* at 312 (citing *Group B LLC*, 72 Or LUBA
17 at 82).

18 “Ultimately, in the context of ORS 197.307(4), the degree of clarity
19 required for standards, conditions, and procedures for housing
20 development represents a balance between the need of applicants for
21 an understandable route to approval of the applied-for development
22 and the need of local governments for code-drafting requirements
23 that are realistically achievable.” *Roberts*, 316 Or App at 312.

24 We will reverse or remand a land use decision if the local government
25 improperly construed the applicable law. ORS 197.835(9)(a)(D). ORS
26 227.173(2) provides that “[w]hen an ordinance establishing approval standards
27 is required under ORS 197.307 to provide only clear and objective standards, the
28 standards must be clear and objective on the face of the ordinance.” In addition,

1 ORS 197.831 places the burden on the local government to demonstrate that the
2 criteria are clear and objective.

3 OCMC 17.65.050(C)(6) and (7) require that “[t]he proposed general
4 development plan is consistent with the Oregon City Comprehensive Plan” and
5 “underlying zoning district(s) and any applicable overlay zone or concept plans.”

6 We agree with petitioner that “there are no ‘objective benchmarks’ for measuring
7 the compliance” with elements of the OCCP. Petition for Review 17. OCMC
8 17.65.050(C)(6) and (7) are ambiguous because they do not, on the face of the
9 ordinance, identify the provisions of the PPCP and comprehensive plan that a
10 general development plan must be consistent with. Moreover, the city concedes
11 that it applied criteria that were not clear and objective. Respondent’s Brief 14.

12 The second subassignment of error is sustained.

13 The first assignment of error is sustained in part.

14 **THIRD AND FOURTH ASSIGNMENTS OF ERROR**

15 Petitioner’s third assignment of error alleges that the city failed to adopt
16 adequate findings addressing OCMC 17.65.050(C)(3) and (5).¹² Petitioner’s

¹² OCMC 17.65.050(C) sets out the city’s criteria for approval of a general development plan and includes:

“3. Public services for transportation * * * are capable of serving the proposed development, or will be made capable by the time each phase of the development is completed.

“* * * * *



James Nicita <james.nicita@gmail.com>

May 7 2024 Work Session Agenda Item #3 Park Plan Code Refinement3 messages

James Nicita <james.nicita@gmail.com>

Tue, May 7, 2024 at 1:57 PM

To: Denyse McGriff <dmcgriff@orcify.org>, Adam Marl <amarl@orcify.org>, mmitchell@orcify.org, Frank O'Donnell <fodonnell@orcify.org>, "Rocky Smith, Jr." <rsmith@orcify.org>, Tony Konkol <tkonkol@orcify.org>, Aquilla Hurd-Ravich <ahurdravich@orcify.org>, Bill Kabeiseman <billkab@batemanseidel.com>, Carrie Richter <crichter@batemanseidel.com>, Jakob Wiley <jwiley@orcify.org>

Cc: Jackie Hammond-Williams <Jackiespins@gmail.com>, Barbara Renken <miniflower@comcast.net>, Tom Geil <Qmunicator@yahoo.com>, Jesse Buss <jessebuss@gmail.com>

Bcc: Frank O'Donnell <coachfranko@comcast.net>, Mike Mitchell <mike.k.mitchell@gmail.com>, rocky smith <rockylsmith2@gmail.com>, adam.j.marl12@gmail.com

City Commission:

Regarding the above-referenced agenda item, I am appending below the email I sent the City Commission this past February. I continue to believe that the City can take the position that "clear and objective" standards apply only to residential zones, and not to other elements of development such as parks, commercial, office, transportation and stormwater facilities etc.

With the foregoing in mind, I would like to offer the following thoughts on the "Implementation Narrative" in the packet.

Item #3) Neighborhood Commercial. At least within the Park Place Concept Plan Area specifically, I think both residential and park uses should be completely REMOVED from 17.24.060 as permitted uses.

Within the Park Place Concept area, this zone should permit office and commercial as principal uses. If only these uses are permitted, then there is no need to worry about the "clear and objective standards" rule, and that rule cannot be used to destroy the "traditional main street" concept of the Park Place Concept Plan. The City can still adopt "main street design standards" as called for in the concept plan.

As for parks, the Park Place Concept Plan already has both a) an enormous park, and b) ample open space on unbuildable lands. There is no reason to permit additional parkland in the little traditional Main Street area.

Furthermore, I remind the Commission that ICON attempted to wipe out the traditional little Main Street area by shifting the enormous park on the PPCP map over and down to the north side of the Livesay Road traditional main street area. They argued that they could do this because, notwithstanding what the concept plan called for, the NC zone allowed parks. Removing parks as a permitted use within the NC zone would prevent any such attempts in the future.

Item #7 Green Streets. Generally I disagree that green streets cannot be implemented in the PPCP area.

But as to water quality more broadly, statewide planning Goal 6 requires compliance with water quality standards.

Some state water quality standards are "qualitative," and I think might run afoul of the "clear and objective" rule. On the other hand, other state water quality standards are very precise, quantitative numeric standards, and would not run afoul of the "clear and objective standards" rule. I think the City could maintain its water quality objectives that the PPCP tries to achieve via "green streets" if it requires compliance with numeric state water quality standards. The City's Stormwater & Grading Design Standards currently do not do so; at least not for all

pollution parameters.

Thank you,

James Nicita
Oregon City

On Wed, Feb 7, 2024 at 4:02 PM James Nicita <james.nicita@gmail.com> wrote:

Mayor and Commissioners:

I write with the following comments regarding the above-referenced agenda item.

First, I am curious why this is being presented to the City Commission as a city manager communication rather than a regular agenda item at the tail end of a packed meeting that will likely run up against the 10 pm time limitations. Perhaps the Commission might consider moving this item up earlier in the agenda, and allow for full public comment.

The importance of what is going on here cannot be underestimated. The staff memo posted with this agenda appears to be setting the "rules of the game" for the remand hearing on the Park Place Crossing proposal. It purports to establish what review criteria will or will not be applied to the remanded Park Place Crossing proposal.

The principal message that the memo appears to want to convey to the Commission is this: that only "clear and objective" standards can be applied to the Park Place Crossing proposal, in its entirety.

There might be grounds for an alternative interpretation. ORS 197A.400(1) (formerly ORS 197.307(4)) states that only clear and objective standards may be applied to the "development of housing."

The original Park Place Crossing proposal included much more than housing. It included retail, per the Park Place Concept Plan "neighborhood village" Main Street, parks and open space that will serve citizens well beyond those in the Park Place Crossing Development, and a major connector in the Holly Lane extension that will also serve citizens well beyond the Park Place Crossing residents.

I have spent this afternoon on Westlaw trying to find a case that applies the "clear and objective" standards rule to non-housing elements of a development that includes both housing and other components of a development. I have not found one, but I will certainly concede error if there is a case out there that is directly on point that I have not found.

In the City Commission's original Park Place Crossing decision, the Commission gave full support to the neighborhood village component of the Park Place concept plan. I do not see anything that disturbs this aspect of the Commission's decision in the LUBA case that remanded the Commission's final decision: the LUBA decision, in my opinion, is solely directed to the general development plan for Park Place Crossing as that proposal relates to "housing."

Therefore, I hope the Commission will make abundantly clear tonight that the language in the memo that has been stricken in the review criteria as not applying to a general development plan only applies to the "housing" component of the Park Place Crossing general development plan proposal, and that the Park Place concept plan and the comprehensive plan fully apply to the non-housing components such as the retail and commercial in the concept plan's Main Street Village.

Finally, I hope the Commission might request clarification on the memo's use of the term "application" to describe what staff is or will be requesting from Icon in February. It seems to me that the LUBA remand indicated that the City was required to allow Icon to propose "amendments" to the existing application, not a new application. It seems that a new "application" would require a completely new hearing, beginning with

Planning Commission review.

Thank you for your consideration of these comments.

James Nicita
Oregon City

James Nicita <james.nicita@gmail.com> Tue, May 7, 2024 at 4:15 PM
To: Adam Marl <amarl@orcity.org>, Aquilla Hurd-Ravich <ahurdravich@orcity.org>, Bill Kabeiseman <billkab@batemanseidel.com>, Carrie Richter <crichter@batemanseidel.com>, Denyse McGriff <dmcgriff@orcity.org>, Frank O'Donnell <fodonnell@orcity.org>, Jakob Wiley <jwiley@orcity.org>, "Rocky Smith, Jr." <rsmith@orcity.org>, Tony Konkol <tkonkol@orcity.org>, mmitchell@orcity.org
Cc: Barbara Renken <miniflower@comcast.net>, Jackie Hammond-Williams <Jackiespins@gmail.com>, Jesse Buss <jessebuss@gmail.com>, Tom Geil <Qmunicator@yahoo.com>

City Commission:

I notice an error in what I wrote below.

I said that "clear and objective standards" apply only to "residential zones."

I should have said that such standards apply only to "housing."

I think that even within residential zones, clear and objective standards do not apply to non-housing uses such as roads, parks, etc.

[Quoted text hidden]

Barbara Renken <miniflower@comcast.net> Tue, May 7, 2024 at 7:00 PM
To: James Nicita <james.nicita@gmail.com>

Jim, Ray and I just read your email. Thank you for following up with all the work that has been done in the past and especially your efforts to remind citizens working currently of what has already been established. We appreciate all you do.

Ray and Barbara Renken
[Quoted text hidden]

From: [James Nicita](#)
Sent: Tuesday, May 7, 2024 1:58 PM
To: [Denyse McGriff](#); [Adam Marl](#); [Mike Mitchell](#); [Frank O'Donnell](#); [Rocky Smith, Jr.](#); [Tony Konkol](#); [Aquila Hurd-Ravich](#); [Bill Kabeiseman](#); [Carrie Richter](#); [Jakob Wiley](#)
Cc: [Jackie Hammond-Williams](#); [Barbara Renken](#); [Tom Geil](#); Jesse Buss
Subject: May 7 2024 Work Session Agenda Item #3 Park Plan Code Refinement

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

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Thank you,

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Oregon City

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be applied to the "development of housing."

The original Park Place Crossing proposal included much more than housing. It included retail, per the Park Place Concept Plan "neighborhood village" Main Street, parks and open space that will serve citizens well beyond those in the Park Place Crossing Development, and a major connector in the Holly Lane extension that will also serve citizens well beyond the Park Place Crossing residents.

I have spent this afternoon on Westlaw trying to find a case that applies the "clear and objective" standards rule to non-housing elements of a development that includes both housing and other components of a development. I have not found one, but I will certainly concede error if there is a case out there that is directly on point that I have not found.

In the City Commission's original Park Place Crossing decision, the Commission gave full support to the neighborhood village component of the Park Place concept plan. I do not see anything that disturbs this aspect of the Commission's decision in the LUBA case that remanded the Commission's final decision: the LUBA decision, in my opinion, is solely directed to the general development plan for Park Place Crossing as that proposal relates to "housing."

Therefore, I hope the Commission will make abundantly clear tonight that the language in the memo that has been stricken in the review criteria as not applying to a general development plan only applies to the "housing" component of the Park Place Crossing general development plan proposal, and that the Park Place concept plan and the comprehensive plan fully apply to the non-housing components such as the retail and commercial in the concept plan's Main Street Village.

Finally, I hope the Commission might request clarification on the memo's use of the term "application" to describe what staff is or will be requesting from Icon in February. It seems to me that the LUBA remand indicated that the City was required to allow Icon to propose "amendments" to the existing application, not a new application. It seems that a new "application" would require a completely new hearing, beginning with Planning Commission review.

Thank you for your consideration of these comments.

James Nicita
Oregon City

From: [Aquilla Hurd-Ravich](#)
Sent: Friday, May 10, 2024 2:39 PM
To: [Pete Walter](#)
Subject: FW: Park Place Concept Plan

Fyi...

From: Bob La Salle <jeanbob06@comcast.net>
Sent: Friday, May 10, 2024 2:34 PM
To: Aquilla Hurd-Ravich <ahurdravich@orccity.org>
Subject: Park Place Concept Plan

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hello Aquilla;

Following are mu thoughts on the Park Place Concept Plan information in our packets for the Planning Commission meeting of May 13, 2024. The page numbers referenced are the packet page numbers. If you think it would help, forward these thoughts to the other Commissioners.

Thanks;

Bob La Salle

Key Element #1, page 13

Choose Option #2. This is a vital part of the Concept Plan and relieves transportation problems in the Park Place Neighborhood.

Key Element #2, page 14

Use the plan described in "Notes".

Key Element #3, page 14

This is a difficult part of the Concept Plan. The proposed "commercial" area is not in an area of high traffic and thus would not attract business to locate there. A better area would be nearer to Holcomb Blvd, if a commercial area is to be considered at all. Another thought would be to place the commercial area near Redland Road and the Holly Lane extension. I have my doubts that any kind of commercial area would work in the "North Village".

Key Element #4, page 15

See my recommendations for Key Element #3

Key Element #5, page 17

Option #1 states lot averaging was removed from the Code. Lot averaging should not be reconsidered.

Option #2. If developers propose affordable housing to get bonuses there needs to be a verification system in place to be sure the housing is "affordable". What is the definition of

affordable?

Key Element #6, page 17

Approve Option #1. Use the present TSP. No need to hire expensive consultant. It's already all there.

Key Element #9, page 19

Orienting buildings for solar design is not practical for an entire subdivision. Leave this section "removed" as stated on page 19.

Key Element #10, page 21

This could be a "slippery slope" and deserves detailed study.

Key Element #11, page 21

Use Option #1 to add a new code section.

Page 27 The minimum front yard setback for R-5 and R-3.5 of 5 feet seems awfully small to me.

Page 29 Item 5 Affordable housing density bonus. We need a definition of affordable housing to make it "clear and objective." It states "Affordable units shall be affordable to households earning equal to or less than eighty percent of the area median income---- ." This doesn't give a percentage of their income that would be acceptable for housing costs. All it gives is a "minimum term of 30 years-----."

Page 30 17.10.080

Item C2 changes minimum lot size abutting existing subdivision to as small as 1,500 sq. Ft. I think abutting lot size should match the existing abutted lot size, or maybe one lot size smaller.

Page 32 17.21.010

B. Define "character". Is this clear and objective?

Why delete the description of architectural styles?

Page 34 17.21.025 Review Process

B. I disagree with this paragraph. It allows a developer to build outside of specific design standards that are well defined. The developer knows going in what the standards are. Why permit deviation?

17.21.030 Roof design.

B. Flat roofs should not be allowed.

Page 37 17.21.100 Solar Access Standards.

Seems a little restrictive to me. Not practical for an entire subdivision.

That's it for me. See you Monday.

Bob La Salle

Sent from [Mail](#) for Windows

From: [Bob La Salle](#)
Sent: Monday, May 6, 2024 10:22 AM
To: [Denyse McGriff](#); [Adam Marl](#); mike.k.michell@gmail.com; [Frank O'Donnell](#); rockysmith2@gmail.com; [Tony Konkol](#); [Aquila Hurd-Ravich](#)
Subject: Work Session 7 May, 2024

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hello Mayor and Commissioners;

I would like you to consider the following when discussing the Park Place Concept Plan. All page numbers are in reference to you packet pages.

Key Element #1, page 411

Choose Option #2. This is a vital part of the concept plan and relieves transportation problems in the Park Place Neighborhood.

Key Element #2, page 412

Use the plan described in "Notes".

Key Element #3, page 413

This is a difficult part of the Concept Plan. The proposed "commercial" area is not in an area of high traffic and thus would not attract business to locate there. A better area would be nearer to Holcomb Blvd, if a commercial area is to be considered at all. I have my doubts that any kind of commercial area would work in the "North Village."

Key Element #4, page 414

See my recommendation for Key Element #3.

Key Element #5, page 415

Option #1 states lot averaging was removed from the Code. Lot averaging should not be reconsidered.

Option #2. If developers propose affordable housing to get bonuses there needs to be a verification system in place to be sure the housing is "affordable". What is the definition of affordable?

Key Element #6, page 415

Approve Option #1. Use the present TSP. No need to hire expensive consultants. It's already all there.

Key Element #9, page 417

Orienting buildings for solar design is not practical for an entire subdivision. Leave this section "removed" as stated on page 417.

Key Element #10, page 419

This could be a “slippery slope” and deserves detailed study.

Key Element #11, page 420

Usde Option #1 to add a new code section.

Sent from [Mail](#) for Windows

From: [Jakob Wiley](#)
Sent: Tuesday, May 7, 2024 9:07 AM
To: [Commission](#)
Cc: [Recorder Team](#); [Tony Konkol](#); [Alex Rains](#); [Aquilla Hurd-Ravich](#); [Hannah Schmidt](#)
Subject: FW: Public Comment for City Commission Work Session 05-07-2024

Dear City Commissioners,

Please see the below public comment.

Thank you,
Jakob



Jakob Wiley, JD, MS
City Recorder
City of Oregon City
503-496-1509 Direct phone
503-657-0891 City Hall

Website: www.orcity.org | [Recorder's Page](#) | [Facebook](#) | [Twitter](#)
PUBLIC RECORDS LAW DISCLOSURE: This e-mail is subject to the State Retention Schedule and may be made available to the public.

From: Linda Smith <ocgal5700@gmail.com>
Sent: Tuesday, May 7, 2024 1:07 AM
To: Recorder Team <recorderteam@orcite.org>
Subject: Public Comment for City Commission Work Session 05-07-2024

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

To The City Commision,

RE: Park Place Concept Plan Code Refinement

The Staff Report states on page 3:
"Additionally, we will make a presentation to the Citizen Involvement Committee prior to the legislative hearings."

I propose a change to say that a presentation to the Park Place Neighborhood Association will be made prior to the legislative hearings. The CIC has not been a principal party during the development or refinement of the PPCP. PPNA has been

deeply vested in the PPCP for over two decades and should be included when proposing any code refinement to the PPCP.

Regards,
Linda Smith
13944 Cleveland St., Oregon City, OR 97045
503-819-7099
Resident of the Park Place neighborhood for 48 years

COMMENT FORM



*****PLEASE PRINT CLEARLY*****

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND RESIDING CITY
- Limit Comments to 3 MINUTES.
- Give to the Clerk in Chambers prior to the meeting.

Date of Meeting 9/23/24

Item Number From Agenda 3

NAME: Didi Dahlsrud
ADDRESS: Street: 415 Dewey St
City, State, Zip: O.C. 97045
PHONE NUMBER: 503 502-0610
E-MAIL ADDRESS: _____
SIGNATURE: [Signature]

COMMENT FORM



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- Limit Comments to 3 MINUTES.
- Give to the Clerk in Chambers prior to the meeting.

Date of Meeting 9/23/24

Item Number From Agenda 3

NAME: Jed Peterson
ADDRESS: Street: 16586 S Edinwald Ln
City, State, Zip: Oregon City, OR 97045
PHONE NUMBER: _____
E-MAIL ADDRESS: jed.peterson.MD@gmail.com
SIGNATURE: [Signature]

COMMENT FORM



*****PLEASE PRINT CLEARLY*****

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND ADDRESS
- Limit Comments to **3 MINUTES**.
- Give to the City staff in the Chambers **prior** to the meeting.

Date of Meeting 9-23-24

Item Number From Agenda 3

NAME:

Lee McCarty

ADDRESS:

Street:

16877 S. Knaef RD

City, State, Zip:

Oregon City OR

PHONE NUMBER:

734 904-6442

SIGNATURE:

[Signature]

COMMENT FORM



*****PLEASE PRINT CLEARLY*****

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND ADDRESS
- Limit Comments to **3 MINUTES**.
- Give to the City staff in the Chambers **prior** to the meeting.

Date of Meeting

Sept 23 2024

Item Number From Agenda

5A

NAME:

Larry W. Morton

ADDRESS:

Street:

108 6th St 514 McLaughlin 50304

City, State, Zip:

OC

PHONE NUMBER:

503 701 5070

SIGNATURE:

[Signature]

I am also requesting a written transcript of meeting. I am mostly deaf.

COMMENT FORM



PLEASE PRINT CLEARLY

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- Limit Comments to 3 MINUTES.
- Give to the Clerk in Chambers prior to the meeting.

Date of Meeting 9/22/21

Item Number From Agenda Relocation Project #5

NAME: Paul Fedor

ADDRESS: Street: _____
City, State, Zip: OC

PHONE NUMBER: _____

E-MAIL ADDRESS: _____

SIGNATURE: _____

COMMENT FORM



PLEASE PRINT CLEARLY

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND RESIDING CITY
- Limit Comments to 3 MINUTES.
- Give to the Clerk in Chambers prior to the meeting.

Date of Meeting 9/23/2021

Item Number From Agenda 5

NAME: Paul Geil

ADDRESS: Street: _____
City, State, Zip: _____

PHONE NUMBER: _____

E-MAIL ADDRESS: _____

SIGNATURE: Paul Geil

COMMENT FORM



PLEASE PRINT CLEARLY

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND ADDRESS
- Limit Comments to 3 MINUTES.
- Give to the City staff in the Chambers prior to the meeting.

Date of Meeting 9-23-24

Item Number From Agenda 4A

NAME:

Garrett Stephenson

ADDRESS:

Street: 1211 SW 5th Ave Ste 1900

City, State, Zip: Portland, OR

PHONE NUMBER:

503-796-2893

SIGNATURE:

email

COMMENT FORM



PLEASE PRINT CLEARLY

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND ADDRESS
- Limit Comments to 3 MINUTES.
- Give to the City staff in the Chambers prior to the meeting.

Date of Meeting 9-23-24

Item Number From Agenda 4a

NAME:

Jennifer ~~Arnold~~ Arnold

ADDRESS:

Street: 1500 Valley River Dr, Ste 100 Eugene 97401

City, State, Zip: _____

PHONE NUMBER:

503-746-8812

SIGNATURE:

email

COMMENT FORM



PLEASE PRINT CLEARLY

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND ADDRESS
- Limit Comments to 3 MINUTES.
- Give to the City staff in the Chambers prior to the meeting.

Date of Meeting

9/23/24

Item Number From Agenda

4

NAME:

Harlan Borow - Icon Construction

ADDRESS:

Street: 1969 Willamette Falls Dr, Suite 260

City, State, Zip: West Linn, OR 97068

PHONE NUMBER:

503-713-8627

SIGNATURE:

Harlan Borow

COMMENT FORM



PLEASE PRINT CLEARLY

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND ADDRESS
- Limit Comments to 3 MINUTES.
- Give to the City staff in the Chambers prior to the meeting.

Date of Meeting

9/23/2024

Item Number From Agenda

4A

No Longer
Had Question

NAME:

Dolores Rued

ADDRESS:

Street: 14150 S Donovan Rd

City, State, Zip: Oregon City OR 97045

PHONE NUMBER:

503-720-1873

SIGNATURE:

Dolores Rued

COMMENT FORM



PLEASE PRINT CLEARLY

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND ADDRESS
- Limit Comments to **3 MINUTES**.
- Give to the City staff in the Chambers **prior** to the meeting.

Date of Meeting

9/23/24

Item Number From Agenda

4

NAME:

ENOCH HUANG

ADDRESS:

Street:

16509 S EDENWILD LANE

City, State, Zip:

OREGON CITY, OR

PHONE NUMBER:

503-288-2600

SIGNATURE:

[Signature]

COMMENT FORM



PLEASE PRINT CLEARLY

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND ADDRESS
- Limit Comments to **3 MINUTES**.
- Give to the City staff in the Chambers **prior** to the meeting.

Date of Meeting

9/23/24

Item Number From Agenda

4

NAME:

ROYA MANSOURI

ADDRESS:

Street:

16509 S EDENWILD LANE

City, State, Zip:

OREGON CITY, OR 97045

PHONE NUMBER:

503 483 2600

SIGNATURE:

[Signature]

COMMENT FORM



PLEASE PRINT CLEARLY

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND ADDRESS
- Limit Comments to **3 MINUTES**.
- Give to the City staff in the Chambers **prior** to the meeting.

Date of Meeting

9/23/24

Item Number From Agenda

#4 PARK PLACE COVERLET PLAN

NAME:

BARBARA A Cox

ADDRESS:

Street: 14120 BEEMER WAY

City, State, Zip: OREGON OR 97045

PHONE NUMBER:

SIGNATURE:

COMMENT FORM



PLEASE PRINT CLEARLY

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND ADDRESS
- Limit Comments to **3 MINUTES**.
- Give to the City staff in the Chambers **prior** to the meeting.

Date of Meeting

9-23-24

Gone

Item Number From Agenda

Agenda 1 (4) Park Place Master Plan Code Amendment

NAME:

Sam Wolf

ADDRESS:

Street: 703 Barclay Hills Dr

City, State, Zip: Oregon City, OR 97045

PHONE NUMBER:

734-249-9734

SIGNATURE:

Sam Wolf

COMMENT FORM



PLEASE PRINT CLEARLY

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND ADDRESS
- Limit Comments to 3 MINUTES.
- Give to the City staff in the Chambers prior to the meeting.

Date of Meeting

9/23/2024

Item Number From Agenda

#4

NAME:

Tom Gerik

ADDRESS:

Street:

KNOW

City, State, Zip:

PHONE NUMBER:

SIGNATURE:

Tom Gerik

COMMENT FORM



PLEASE PRINT CLEARLY

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- Limit Comments to 3 MINUTES.
- Give to the Clerk in Chambers prior to the meeting.

Date of Meeting

9/23/24

Item Number From Agenda

4

NAME:

Joyce Carlson

ADDRESS:

Street:

14100 Beemer Way

City, State, Zip:

Oregon City, OR 97045

PHONE NUMBER:

971 645 9384

E-MAIL ADDRESS:

joybells31@hotmail.com

SIGNATURE:

Joyce Carlson

COMMENT FORM



*****PLEASE PRINT CLEARLY*****

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND ADDRESS
- Limit Comments to **3 MINUTES**.
- Give to the City staff in the Chambers **prior** to the meeting.

Date of Meeting 09/23/24

Item Number From Agenda (4)

NAME:

Michael Doran

ADDRESS:

Street: 16262 Oak Valley Dr.

City, State, Zip: Oregon city, OR 97045

PHONE NUMBER:

503-203-3745

SIGNATURE:

Michael Doran

COMMENT FORM



*****PLEASE PRINT CLEARLY*****

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND RESIDING CITY
- Limit Comments to **3 MINUTES**.
- Give to the Clerk in Chambers **prior** to the meeting.

Date of Meeting 9/23/24

Item Number From Agenda 4 - P.P. Concept Plan Code Amendments

NAME:

Mark-Hutt Bennett

ADDRESS:

Street: 15025 Smithfield Dr

City, State, Zip: Oregon City OR 97045

PHONE NUMBER:

(503) 1307-0791

E-MAIL ADDRESS:

thesundancekid59@gmail.com

SIGNATURE:

Mark-Hutt Bennett

COMMENT FORM



PLEASE PRINT CLEARLY

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND ADDRESS
- Limit Comments to **3 MINUTES**.
- Give to the City staff in the Chambers **prior** to the meeting.

Date of Meeting

9/23/24

Item Number From Agenda

14

NAME:

Megan Keough

ADDRESS:

Street:

143166 Holly Crest Ln

City, State, Zip:

Oregon City, OR 97045

PHONE NUMBER:

503 744 1642

SIGNATURE:

MK



CITY OF OREGON CITY

625 Center Street
Oregon City, OR 97045
503-657-0891

Staff Report

To: City Commission **Agenda Date:** December 18, 2024
From: James Graham, Economic Development Manager

SUBJECT:

Item 9.a. - Legal Documents Creating the Destination Management/Marketing Organization (DMMO)

STAFF RECOMMENDATION:

Review and approve the Memorandum and Understanding ("MOU") between the City and the pending DMMO, the DMMO's initial set of bylaws, and applications questions to candidates to the DMMO board of directors.

EXECUTIVE SUMMARY:

The City Commission held its December 10th work session to review and discuss documents crafted to create a separate tourism-related entity referenced as a Destination Management/Marketing Organization. To aid in the discussion of the proposed DMMO, two separate staff reports are being presented. The first staff report will focus primarily on the legal documentation, while the second staff report will be dedicated to the DMMO's design and role.

BACKGROUND:

During its December 10, 2024 work session, the City Commission reviewed and revised documents that, when fully executed, will create a Destination Management/Marketing Organization ("DMMO"). To aid in the review and approval process, two separate staff reports are being presented. The first staff report will primarily focus on the revised legal documents associated with creating a DMMO. A second staff report is presented and will be dedicated review the revised documents associated with the organization's design/role.

HIGHLIGHTS OF THE REVISED MEMORANDUM OF UNDERSTANDING ("MOU")

After review and approval of the MOU by the City Commission, the board of directors of the proposed entity will need to ratify the document. Highlights of the changes to the MOU are as follows:

- 1. The Name.** Changing the name of the entity from Destination Management Organization to Destination Management/Marketing Organization ("DDMO"). Hence, not only emphasizing the marketing strategies associated with the proposed entity but also focusing on work related to planning, aligning,

coordinating, leading and
implementing tourism-related strategies with all tourism-facing organizations and
businesses within Oregon City.

2. Industry Sectors. Lodging, retail, restaurant, outdoor recreation, beverage industry,
historic sites, river-based
activities, and agritourism are included as referenced in the draft bylaws.

3. Progress Report. The DMMO will meet with the City Commission to report on its progress
within 3 months of the effective date of the MOU.

4. The Management/Coordination Plan. The DMMO will submit a
Management/Coordination Plan within six (6) months of the Effective Date of the
MOU. The plan should reveal how the DMO will drive economic growth for the benefit
of Oregon City's tourism industry, visitors, and residents in a coordinated manner
with its partners and members. In addition, it must explain how it will work to
increase the operational capacity of the industry through training/education and
technical assistance. However, the DMMO must have a completed and approved
plan by the City Commission within eight (8) months or by the 3rd quarter of the
effective date of the MOU. Otherwise, it will not be further funded until such a plan
has been approved.

5. The Marketing Plan. The DMMO will prepare and submit a Marketing Plan within six (6)
months of the Effective

Date of the MOU. The Marketing Plan must demonstrate how the DMMO will enhance
Oregon City's branding, how
it will promote existing experiences and activate new ones, and how the DMMO will
pursue opportunities to create or be included on new or existing travel itineraries that
include the City. However, the DMMO must have a
completed and approved plan by the City Commission within eight (8) months or by the
3rd quarter of the effective
date of the MOU. Otherwise, it will not be further funded until such a plan has been
approved.

6. Implementation Updates. Every 6 months, after approval of the
Management/Coordination Plan and the Marketing Plan, the DMMO will submit
updates on the implementation of both plans.

7. Amendment of Articles of Incorporation and Bylaws. The DMMO agrees to adopt the initial
Bylaws approved by
the City Commission and seek approval from the City of additional amendments.

8. Services Provided by the City. The City will provide office space, parking, meeting
space and utilities at no charge for up to two years. A City Liaison will be provided,

offering up to 10% of its time to assist the DMMO on an ongoing basis.

HIGHLIGHTS OF THE BYLAWS

After review and approval of the bylaws by the City Commission, the board of directors of DMMO will need to ratify the document. Highlights of the changes to the draft bylaws are as follows:

1. **Term of Directors.** The full term of a member of the Board of Directors is 3 years. Directors may, if re-elected, serve up to two consecutive terms and then must take a one-year break before being eligible for re-election. The initial Directors shall be appointed by the City Commission. Positions one, four, and six shall serve until the Annual Meeting in 2026, positions two and five shall serve until the Annual Meeting in 2027, and positions three and six shall serve until the Annual Meeting in 2028. Each Director position is up for election every three years, starting with the year the initial term for that position ended.
2. **Term of Officers.** The Officers of the corporation shall be a Chair, Vice-Chair, Secretary, and Treasurer and other Officers as the Board of Directors shall appoint, from time to time. Officers will be elected for two-year terms by the Board of Directors. The Chair and Secretary positions shall be re-elected in even years and the Vice Chair and Treasurer positions shall be re-elected in odd years. The Ex Officio Director shall be a currently serving Oregon City Commissioner. The Ex Officio Director shall serve at the pleasure of the City Commission.
3. **Removal.** If a Director misses more than one-third of the Board meetings in any year without an excused absence, the Board shall consider removal of that Director.
4. **Authority of Directors.** No member of the Board of Directors, including the Chair, may officially represent the positions of the organization or speak or act on behalf of the organization without specific approval by the Board to do so.
5. **Executive Director.** The Executive Director shall ordinarily attend all Board meetings, except when the Board goes into Executive Session to review the Executive Director's performance or discuss other matters related to their employment.

CHANGE TO THE DMMO BOARD OF DIRECTORS QUESTIONNAIRE

A question was added as to inquire whether the board applicant has a financial interest or investments in the sector they are representing.

OPTIONS:

1. Review and approve direction on the MOU between the City and the proposed DMMO, the by laws, as well as the application for director membership to the board of directors of the DMMO.

2. Do not approve the direction on the MOU between the City and the proposed DMMO, the by laws nor the application for director membership to the board of directors of the DMMO.

BUDGET IMPACT:

Amount \$250, 000 per biennium (FY 2025/2027)
 \$125,000 Seed Capital (FY 2023/2025)

Fiscal Year(s):

Funding Source(s): Transient Lodging Tax

MEMORANDUM OF UNDERSTANDING
BETWEEN
DESTINATION OREGON CITY, INC.
AND
OREGON CITY

THIS MEMORANDUM OF UNDERSTANDING (“Agreement”), is made and entered into as of this _____ day of _____, 202_ (“Effective Date”), by and between Destination Oregon City, Inc., an Oregon mutual benefit Destination **Marketing Management** and **Marketing Management** Organization in the process of applying for 501(c)(6) tax-exempt status (the “**DMODMMO**”), and the City of Oregon City (“the City”) (together the “Parties”). In consideration of the mutual understandings, releases, covenants, and payments herein described, the Parties agree as follows:

AGREEMENT

- 1. Introduction and Purpose.** Oregon City, along with community partners and hired consultants, created the **DMODMMO** to operate as a completely separate entity to develop, direct, coordinate, and implement all tourism-related strategic plans and activities on behalf of the City. In addition, the **DMODMMO** will direct, and manage the day-to-day tourism-related activities on behalf of the City. The **DMODMMO** and the City desire to contract with each other to provide certain services, as explained below.
- 2. Agreement Term.** The Agreement Term shall be based on the City’s fiscal year, July 1 to June 30th. The Agreement shall commence on the Effective Date and terminate on June 30, 2027. (“Initial Term”). The Agreement may be extended by mutual agreement in a writing signed by both of the Parties. “Agreement Term” as used in this Agreement includes the Initial Term as well as any extended term(s) unless otherwise noted.
- 3. Termination.**
 - 3.1. By Mutual Agreement.** During the Agreement Term, this Agreement may be terminated immediately by mutual agreement in a writing signed by both of the Parties.
 - 3.2. Unilateral Termination with Cause.** During the Agreement Term, if either party breaches the Agreement by failing to perform or violating any of its obligations under this Agreement (“Default”), the other party may give notice to the breaching party of such Default (“Notice of Default”). If within ten (10) business days of the date of the Notice of Default the breaching party has not cured the Default, the other party may immediately terminate this Agreement by providing notice to the breaching party in writing. Upon termination, the breaching party shall immediately cease work under this Agreement, unless directed otherwise in the notice of termination from the other party. In addition, the **DMODMMO** shall immediately vacate the Office Space. If either party terminates under this clause, each party **mustshall** pay the other as described in this Agreement for services satisfactorily rendered, and not yet paid for, up until the date of the termination. If either party has already been paid by the other for services it has not yet performed, it **mustshall** return any amounts beyond the value of the services it satisfactorily rendered up until the date of termination.

- 3.3. Unilateral Termination by the City for Serious Breach.** During the Agreement Term, if the DMODMMO commits financial mismanagement or financial negligence or, in the City's sole discretion, does anything to damage the reputation of the City, the City's officers, or its staff ("Serious Breach"), the City may terminate this Agreement unilaterally and immediately by providing notice to the DMODMMO in writing. The notice shall state a termination date, which may be the date of the notice, the date the Serious Breach occurred, or a later date, at the City's sole discretion ("Termination Date"). The notice mustshall also cite the fact the DMODMMO has committed a Serious Breach and explain what occurred. On the Termination Date, the DMODMMO shall immediately cease work under this Agreement, unless directed otherwise in the notice of termination from the City. In addition, the DMODMMO shall immediately vacate the Office Space. The DMODMMO mustshall pay the City for any services satisfactorily rendered by the City and not yet paid for prior to the Serious Breach. In addition, the DMODMMO mustshall return all Funds not expended for the purposes outlined in this Agreement, whether those Funds are currently in the DMODMMO's possession or not.
- 3.4. Rights Upon Termination.** Nothing in this Article removes or alters any of the rights and remedies to which either party may be entitled by law for the enforcement of its rights under this Agreement or upon the other party's breach of this Agreement.

4. Services Provided by/Governance of the DMODMMO.

- 4.1 Management/Coordination Plan.** The DMODMMO will work to plan, lead, coordinate and implement tourism-related strategies with all tourist-facing organizations and businesses within Oregon City with the goal of establishing a unified plan. The DMODMMO will meet with the City Commission to report on its progress so far within three (3) months of the Effective Date. The DMMO shall prepare and submit a Management/Coordination Plan within six (6) months of the Effective Date. The Management/Coordination Plan mustshall explain how the DMODMMO will drive economic growth for the benefit of Oregon City's tourism industry, visitors, and residents in a coordinated manner with its partners and members. In addition, it mustshall explain how it will work to increase the operational capacity of the industry through training/education and technical assistance. The City Commission will review and either approve or return the Management/Coordination Plan. If returned, the DMODMMO will continue to adjust and develop the Management/Coordination Plan until the Commission approves it. However, the DMMO must have completed and submitted a Management/Coordination Plan that the City Commission approves of within eight (8) months of the Effective Date.
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~~outdoor recreation, beverage, historic sites, river-based activities, and agritourism~~~~historic sites, lodging, outdoor recreation, agritourism including the beverage industry, and river-based activities.~~ The City Commission will review and either approve or return the Marketing Plan to the ~~DMODMMO~~. If returned, the ~~DMODMMO~~ will continue to adjust and develop the Marketing Plan until the Commission approves it. However, the DMMO must have completed and submitted a Marketing Plan that the City Commission approves of within eight (8) months of the Effective Date.

4.3 Update. Every six (6) months following the submission and approval of its Management/Coordination Plan and its Marketing Plan, the ~~DMODMMO~~ shall prepare and submit to the City Commission an update on the ~~DMODMMO~~'s implementation strategy of both the Management/Coordination Plan and the Marketing Plan. The City Commission will review and either approve or return the update to the ~~DMODMMO~~. If returned, the ~~DMODMMO~~ will continue to adjust and develop the update until the Commission approves it.

4.4 Approval for Governance Change. The ~~DMODMMO~~ agrees to apply for, obtain, and retain during the Agreement Term 501(c)(6) tax-exempt status from the Internal Revenue Service. It also agrees to adopt the Bylaws contained in **Exhibit A**, attached hereto and incorporated herein, as its initial Bylaws. In addition, during the Agreement Term, prior to amending or restating its Articles of Incorporation or Bylaws, the ~~DMODMMO~~ shall provide a copy of such amendment to the City Commission and ~~must~~shall obtain permission for the amendment in writing from the City prior to making the change.

5. Services Provided by the City. The City will provide the following services (collectively "Services"): Funds, Office Space, and a City Liaison, as explained below in **Articles 6 through 8**.

6. Funds. Each year during the Agreement Term, the City will provide the ~~DMODMMO~~ with one hundred and twenty-five thousand dollars (\$125,000), minus the General City Services Fee explained below, from transient lodging taxes collected by the City (the "Funds"). The City will distribute the Funds on a quarterly basis during the Agreement Term on or approximately on the following dates: November 15th, Feb 15th, May 15th, August 15th. However, if the DMMO has not had both a Management/Coordination Plan and a Marketing Plan approved by the City Commission by the third (3rd) quarter following the Effective Date, the DMMO will not receive payment for that quarter or any following quarter until the City Commission approves both a Management/Coordination Plan and a Marketing Plan submitted by the DMMO. In addition, the City will provide the ~~DMODMMO~~ with an initial, one-time sum of one hundred and twenty-five thousand dollars (\$125,000) in "seed" capital to help set up the initial operations of the ~~DMODMMO~~ (the "Seed Capital"). The City will distribute the Seed Capital in one lump sum on the Effective Date. A tourism-related contingency account comprised of unspent transient lodging tax funds will be maintained by the City. If the ~~DMODMMO~~ needs additional funding beyond its annual allocation, it will need to request it from the City Commission.

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- ~~7.2~~ **Fee.** ~~In exchange for the services provided by the City Liaison, the DMO will pay the City the equivalent of eight percent (8%) of the total Funds it receives up to ten thousand dollars (\$10,000) per fiscal year, each year of the Agreement Term. The DMO is required to pay this sum whether or not it uses all of the time available to it.~~
- 7.23 **Employee of the City.** The City Liaison is solely the employee of the City, and the City retains complete authority to hire, train, monitor, discipline, and terminate its own employees at its own discretion, as well as responsibility to ensure compliance with all applicable local, state, and federal employment laws in its employment of its employees.
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- 8.1. **Use.** The ~~DMO~~DMMO will use the Office Space only for purposes directly related to developing and implementing the Strategic Plan and Marketing Strategy and any updates to that plan.
- 8.2. **Exclusive Use, Right of Entry.** The ~~DMO~~DMMO shall have exclusive use of the Office Space, provided that the City may enter at any time, with or without permission or notice, to prevent or investigate potential damage or other harm to the Office Space or to other areas of City Hall or to confirm the ~~DMO~~DMMO’s compliance with this Agreement. The ~~DMO~~DMMO will not have access to the City’s private computer network but may have access to its public computer network.
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- 8.5. **Utilities.** The City will provide the following utilities and services at no additional cost to the ~~DMO~~DMMO: Electricity, water, heat, air conditioning, janitorial services, telephone, public Wi-Fi internet access, and security system.

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- 8.7. **City ~~Hall Community Room~~.~~Commission Chambers at City Hall~~.** The [DMODMMO](#) may have access to this space only after hours of City Hall operations, and the [City Hall Community Room Chambers](#) [mustshall](#) be properly scheduled.
- 8.8. **Meeting Room Space.** The [DMODMMO](#) may have access to other meeting room space in City Hall only during regular City Hall office hours provided it is properly scheduled for use.
- 8.9. **Maintenance and Repair.**
- 8.9.1. **The City's Maintenance and Repairs.** The City will repair and maintain the Office Space and any fixtures it contains as well as any common areas necessary to access and use the Office Space. The [DMODMMO](#) will promptly notify the City of any damages or noticed defect to any of the foregoing.
- 8.9.2. **The [DMODMMO](#)'s Repairs and Maintenance.** The [DMODMMO](#) will leave the Office Space and all other areas of City Hall in the good condition
- 8.9.3. **Repairs Due to a Party's Negligence.** Each party is responsible for damage caused by that party or its employees, guests, agents, invitees, participants, volunteers, directors, officers, members, managers, partners, contractors, or representatives ("Agents"). If the [DMODMMO](#) fails to perform its obligations under this Section, after ten (10) days' written notice to the [DMODMMO](#), except in an emergency when no notice will be required, the City may perform the obligations on the [DMODMMO](#)'s behalf, and recover the cost of performance by reducing the next installment of the Funds by that amount or it may charge the [DMODMMO](#) for the cost of that performance.
- 8.10. The [DMODMMO](#) will undertake no construction, alteration, improvement, or changes ("[DMODMMO](#) Improvements") on or to the Office Space without the prior written consent of the City. Any and all [DMODMMO](#) Improvements made to the Office Space that become affixed or attached to the Office Space shall remain the property of the City upon the expiration or termination of this Agreement.
9. **General City Services Fee:** State law, ORS 320.300, allows city government to take a portion of its transient lodging tax allocation for general city services. The City will charge a General City Services Fee of no more than ten percent (10%) of the Funds, which it will deduct from the Funds prior to their transfer to the [DMODMMO](#).
10. **Policies and Procedures:** When conducting work on City property or accessing/using City-owned systems, equipment, or facilities, the [DMODMMO](#) and its Agents [mustshall](#) follow at all times all applicable City policies.
11. **Insurance:** The [DMODMMO](#) shall obtain and maintain continuously in effect during the Agreement Term: Director's and Officer's Insurance (Management Indemnity) with a limit

of one million dollars (\$1,000,000) and Commercial Insurance policy (Property, General Liability, Crime, Auto, Special Event) with a limit of one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) in the aggregate. In addition, if the [DMODMMO](#) employs any “subject worker” as defined in ORS 656.027, workers’ compensation insurance for those workers, with statutory limits, and employer’s liability insurance, with limits not less than five hundred thousand dollars (\$500,000) per each accident or disease. All of the [DMODMMO](#)’s insurance coverage required by this section, except for workers’ compensation, shall include an “Additional Insured” endorsement specifying Oregon City, its officers, employees, and agents as Additional Insureds, including Additional Insured status with respect to liability arising out of ongoing operations and completed operations, but only with respect to the [DMODMMO](#)’s activities to be performed under this Agreement. Coverage shall be primary and non-contributory with any other insurance and self-insurance.

12. Confidential Information: At no time will anyone other than the [DMODMMO](#) and its Agents have access to [DMODMMO](#) records, including donor records and other documents, without the express, prior approval of the [DMODMMO](#). The [DMODMMO](#) shall not have access to the City’s confidential information without the express, prior approval of the City. During the term of this Agreement, the Parties acknowledge that they may have access to each other’s confidential information to some extent, as explained above. “Confidential Information” means information belonging to the [DMODMMO](#) or the City which is of value to such party and the disclosure of which could result in a competitive or other disadvantage to such party. This includes, without limitation, information concerning the business of the other, manner of operations, plans, donor lists, program or member information, processes, trade secrets, or other data. “Confidential Information” does not include: (1) information that was known to the receiving party before receipt from or on behalf of the disclosing party; (2) information that is disclosed to the receiving party by a third person who has a right to make such disclosure without any obligation of confidentiality to the party seeking to enforce its rights under this section; (3) information that is or becomes generally known in the trade without violation of this Agreement by the receiving party; or (4) information that is independently developed by the receiving party or its Agents without reference to the disclosing party’s information. Each party will protect the other’s Confidential Information with at least the same degree of care it uses with respect to its own Confidential Information. Neither the City nor the [DMODMMO](#) shall at any time, or in any manner, either directly or indirectly, divulge or communicate to any person or entity the other party’s Confidential Information unless required by law, regulation, or legal process or if requested by the other party in writing and with reasonable notice.

13. Ownership of Work Product. All work product created by the [DMODMMO](#) shall belong to the [DMODMMO](#). All work product created by the City Liaison shall belong to the City.

14. Indemnification.

14.1. By the City. The City hereby irrevocably and unconditionally agrees, subject to the limitations and conditions of the Oregon Tort Claims Act, ORS 30.260 et seq., and the Oregon Constitution, Article XI, Section 7, to indemnify, defend, and hold harmless the [DMODMMO](#) and its Agents from and against any and all claims, actions, suits, demands, losses, damages, judgments, settlements, costs, and expenses, including reasonable attorneys’ fees and expenses, and liabilities of every kind and character

whatsoever resulting from (a) any breach of this Agreement by the City or its Agents or (b) any other act or omission by the City or its Agents whether in connection with this Agreement or otherwise related hereto.

14.2. By the DMODMMO. The DMODMMO hereby irrevocably and unconditionally agrees to indemnify, defend, and hold harmless the City and its Agents from and against any and all claims, actions, suits, demands, losses, damages, judgments, settlements, costs, and expenses, including reasonable attorneys' fees and expenses, and liabilities of every kind and character whatsoever resulting from (a) any breach of this Agreement by the DMODMMO or its Agents or (b) any other act or omission by the DMODMMO or its Agents whether in connection with this Agreement or otherwise related hereto.

14.3. By Either Party. No party to this Agreement will be required to indemnify or defend the other party for any liability arising solely out of wrongful, intentional, willful, negligent, or grossly negligent acts of a third party or the other party's own Agents.

15. Relationship of Parties.

15.1. Separate Entities. The Parties expressly acknowledge and agree that they are, and intend to remain, separate entities. Each party agrees that its conduct and the conduct of its Agents, and any other legal obligations of that party, are the sole responsibility of that party. The relationship of the Parties under this Agreement is that of independent contracting parties. Nothing in this Agreement creates a joint venture between the Parties. Neither party shall be deemed to be an employee, agent, partner, or legal representative of the other for any purpose and neither shall have any right, power or authority to create any obligation or responsibility on behalf of the other except as otherwise provided herein or pursuant to any other written agreement between the Parties. Each party shall, at its sole cost and expense, comply with all local, state, and federal laws, rules, ordinances, and regulations of all governing bodies having jurisdiction over the party in relation to its obligations under this Agreement and shall obtain all necessary permits, registrations, and licenses therefore.

15.2. Taxes, No Employment Relationship. Each party shall pay all applicable sales taxes, use taxes, processing taxes, and federal and state taxes, as well as insurance, contributions for Social Security, and employment taxes which are measured by wages, salaries, or other remuneration paid by that party, whether levied under existing or subsequently enacted laws, rules, or regulations. Neither party nor its Agents are, nor shall they be treated as, employees of the other party with respect to the services performed under this Agreement for any purpose whatsoever.

16. Miscellaneous Provisions:

16.1. Attorney Fees. In the event suit or action is brought, or an arbitration proceeding is initiated, to enforce or interpret any of the provisions of this Agreement, or that arise out of or relate to this Agreement, the prevailing party shall be entitled to reasonable attorney fees in connection therewith. The determination of who is the prevailing party and the amount of reasonable attorney fees to be paid to the prevailing party shall be decided by the arbitrator(s) (with respect to attorney fees incurred prior to and during the arbitration proceedings) and by the court or courts, including any appellate court, in which such matter is tried, heard, or

decided, including a court that hears a request to compel or enjoin arbitration or to stay litigation or that hears any exceptions or objections to, or requests to modify, correct, or vacate, an arbitration award submitted to it for confirmation as a judgment (with respect to attorney fees incurred in such court proceedings).

- 16.2. Governing Law; Submission to Jurisdiction.** This Agreement shall be governed by and construed in accordance with the laws of the state of Oregon, without regard to conflict of law principles. The Parties consent to the exclusive jurisdiction of the Clackamas County Circuit Court in Oregon, and irrevocably agree that all actions or proceedings relating to this Agreement, or any related matter shall be litigated in such court. The Parties each waive any objection which it may have based on improper venue or forum non conveniens to the conduct of any such action or proceeding in such court.
- 16.3. Entire Agreement.** This Agreement contains the entire agreement of the Parties and supersedes all other prior or contemporaneous communications, representations, understandings, and agreements, either oral or written, relating to the subject matter of this Agreement.
- 16.4. Amendment.** This Agreement may be supplemented, amended, or revised only in writing by agreement of the Parties.
- 16.5. Severability.** If any provision of this Agreement is held illegal, invalid, or unenforceable, all other provisions of this Agreement shall nevertheless be effective, and the illegal, invalid, or unenforceable provision shall be considered modified such that it is valid to the maximum extent permitted by law.
- 16.6. Notices.** All notices and other communications to be given hereunder shall be given in writing and shall be delivered personally, emailed, or mailed by certified mail, postage prepaid, to the addresses listed below. Notice shall be deemed to have been given on 1) the date of delivery (if delivered personally), or 2) the date emailed, or 3) (if mailed) on the date indicated by the electronic verification of delivery or refusal by the recipient.

If to the City:
Economic Development Manager
625 Center Street, PO. Box 3040
Oregon City, OR 97045
jgraham@orccity.org

If to the [DMODMMO](#):
~~Executive Tourism Development~~ Director
625 Center Street, P.O. Box 3040
Oregon City, OR 97045
_____@_____

The addresses to which notices are to be delivered may be changed by giving notice of the change in address in accordance with this provision.

- 16.7. Survival.** Any covenant or condition (including, but not limited to, all indemnification agreements) set forth in this Agreement, the full performance of which is not specifically required before the expiration or earlier termination of this Agreement, and any covenant or condition that by its terms is to survive, will

survive the expiration or earlier termination of this Agreement and will remain fully enforceable thereafter.

16.8. Assignment; Subcontracting. Neither party shall not assign its rights or delegate its duties under this Agreement, nor shall it subcontract the work, in whole or in part, without the other party's prior written consent.

16.9. No Presumption Against Drafter. This Agreement shall be construed without regard to any presumption or rule requiring construction against the party drafting the Agreement.

16.10. Headings. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

16.11. Waiver. Any waiver of the provisions of this Agreement or of the Parties' rights or remedies under this Agreement ~~must~~shall be in writing and signed by an individual authorized by the City Commission (for the City) and by the Board (for the ~~DMO~~DMMO) to be effective. Failure, neglect, or delay by a party at any time to enforce the provisions of this Agreement or the Parties' rights or remedies shall not be construed as a waiver of such party's rights, powers, or remedies under this Agreement. Waiver of any breach or provision of this Agreement shall not be considered a waiver of any later breach or of the right to enforce any provision of this Agreement.

17. Authority to Sign: Each of the signatory parties below represents and warrants that the execution, delivery, and performance of this Agreement has been duly authorized, and they are signing with full and complete authority to bind the party on whose behalf they are signing to each and every term of this Agreement.

EXECUTION

On Behalf Of:
DESTINATION OREGON CITY, INC.

By (sign): _____

Print Name: _____

Title: _____

Date: _____

On Behalf Of:
CITY OF OREGON CITY

By (sign): _____

Print Name: _____

Title: _____

Date: _____

By (sign): _____

Print Name: _____

Title: _____

Date: _____

MEMORANDUM OF UNDERSTANDING
BETWEEN
DESTINATION OREGON CITY, INC.
AND
OREGON CITY

THIS MEMORANDUM OF UNDERSTANDING (“Agreement”), is made and entered into as of this _____ day of _____, 202_ (“Effective Date”), by and between Destination Oregon City, Inc., an Oregon mutual benefit Destination Management and Marketing Organization in the process of applying for 501(c)(6) tax-exempt status (the “DMMO”), and the City of Oregon City (“the City”) (together the “Parties”). In consideration of the mutual understandings, releases, covenants, and payments herein described, the Parties agree as follows:

AGREEMENT

- 1. Introduction and Purpose.** Oregon City, along with community partners and hired consultants, created the DMMO to operate as a completely separate entity to develop, direct, coordinate, and implement all tourism-related strategic plans and activities on behalf of the City. In addition, the DMMO will direct, and manage the day-to-day tourism-related activities on behalf of the City. The DMMO and the City desire to contract with each other to provide certain services, as explained below.
- 2. Agreement Term.** The Agreement Term shall be based on the City’s fiscal year, July 1 to June 30th. The Agreement shall commence on the Effective Date and terminate on June 30, 2027. (“Initial Term”). The Agreement may be extended by mutual agreement in a writing signed by both of the Parties. “Agreement Term” as used in this Agreement includes the Initial Term as well as any extended term(s) unless otherwise noted.
- 3. Termination.**
 - 3.1. By Mutual Agreement.** During the Agreement Term, this Agreement may be terminated immediately by mutual agreement in a writing signed by both of the Parties.
 - 3.2. Unilateral Termination with Cause.** During the Agreement Term, if either party breaches the Agreement by failing to perform or violating any of its obligations under this Agreement (“Default”), the other party may give notice to the breaching party of such Default (“Notice of Default”). If within ten (10) business days of the date of the Notice of Default the breaching party has not cured the Default, the other party may immediately terminate this Agreement by providing notice to the breaching party in writing. Upon termination, the breaching party shall immediately cease work under this Agreement, unless directed otherwise in the notice of termination from the other party. In addition, the DMMO shall immediately vacate the Office Space. If either party terminates under this clause, each party shall pay the other as described in this Agreement for services satisfactorily rendered, and not yet paid for, up until the date of the termination. If either party has already been paid by the other for services it has not yet performed, it shall return any amounts beyond the value of the services it satisfactorily rendered up until the date of termination.

- 3.3. Unilateral Termination by the City for Serious Breach.** During the Agreement Term, if the DMMO commits financial mismanagement or financial negligence or, in the City's sole discretion, does anything to damage the reputation of the City, the City's officers, or its staff ("Serious Breach"), the City may terminate this Agreement unilaterally and immediately by providing notice to the DMMO in writing. The notice shall state a termination date, which may be the date of the notice, the date the Serious Breach occurred, or a later date, at the City's sole discretion ("Termination Date"). The notice shall also cite the fact the DMMO has committed a Serious Breach and explain what occurred. On the Termination Date, the DMMO shall immediately cease work under this Agreement, unless directed otherwise in the notice of termination from the City. In addition, the DMMO shall immediately vacate the Office Space. The DMMO shall pay the City for any services satisfactorily rendered by the City and not yet paid for prior to the Serious Breach. In addition, the DMMO shall return all Funds not expended for the purposes outlined in this Agreement, whether those Funds are currently in the DMMO's possession or not.
- 3.4. Rights Upon Termination.** Nothing in this Article removes or alters any of the rights and remedies to which either party may be entitled by law for the enforcement of its rights under this Agreement or upon the other party's breach of this Agreement.

4. Services Provided by/Governance of the DMMO.

- 4.1 Management/Coordination Plan.** The DMMO will work to plan, lead, coordinate and implement tourism-related strategies with all tourist-facing organizations and businesses within Oregon City with the goal of establishing a unified plan. The DMMO will meet with the City Commission to report on its progress so far within three (3) months of the Effective Date. The DMMO shall prepare and submit a Management/Coordination Plan within six (6) months of the Effective Date. The Management/Coordination Plan shall explain how the DMMO will drive economic growth for the benefit of Oregon City's tourism industry, visitors, and residents in a coordinated manner with its partners and members. In addition, it shall explain how it will work to increase the operational capacity of the industry through training/education and technical assistance. The City Commission will review and either approve or return the Management/Coordination Plan. If returned, the DMMO will continue to adjust and develop the Management/Coordination Plan until the Commission approves it. However, the DMMO must have completed and submitted a Management/Coordination Plan that the City Commission approves of within eight (8) months of the Effective Date.
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4.3 Update. Every six (6) months following the submission and approval of its Management/Coordination Plan and its Marketing Plan, the DMMO shall prepare and submit to the City Commission an update on the DMMO's implementation strategy of both the Management/Coordination Plan and the Marketing Plan. The City Commission will review and either approve or return the update to the DMMO. If returned, the DMMO will continue to adjust and develop the update until the Commission approves it.

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- 7.2 Employee of the City.** The City Liaison is solely the employee of the City, and the City retains complete authority to hire, train, monitor, discipline, and terminate its own employees at its own discretion, as well as responsibility to ensure compliance with all applicable local, state, and federal employment laws in its employment of its employees.
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- 8.5. Utilities.** The City will provide the following utilities and services at no additional cost to the DMMO: Electricity, water, heat, air conditioning, janitorial services, telephone, public Wi-Fi internet access, and security system.
- 8.6. Parking.** The City will allow the DMMO to utilize its parking at City Hall. Due to limited parking space and other activities occurring at City Hall, if the DMMO wishes to use City Hall to hold Board meetings, they shall be held after 5:00 pm.
- 8.7. City Hall Community Room.I.** The DMMO may have access to this space only after hours of City Hall operations, and the City Hall Community Room shall be properly scheduled.
- 8.8. Meeting Room Space.** The DMMO may have access to other meeting room space in City Hall only during regular City Hall office hours provided it is properly scheduled for use.
- 8.9. Maintenance and Repair.**
- 8.9.1. The City’s Maintenance and Repairs.** The City will repair and maintain the Office Space and any fixtures it contains as well as any common areas

necessary to access and use the Office Space. The DMMO will promptly notify the City of any damages or noticed defect to any of the foregoing.

8.9.2. The DMMO's Repairs and Maintenance. The DMMO will leave the Office Space and all other areas of City Hall in the good condition

8.9.3. Repairs Due to a Party's Negligence. Each party is responsible for damage caused by that party or its employees, guests, agents, invitees, participants, volunteers, directors, officers, members, managers, partners, contractors, or representatives ("Agents"). If the DMMO fails to perform its obligations under this Section, after ten (10) days' written notice to the DMMO, except in an emergency when no notice will be required, the City may perform the obligations on the DMMO's behalf, and recover the cost of performance by reducing the next installment of the Funds by that amount or it may charge the DMMO for the cost of that performance.

8.10. The DMMO will undertake no construction, alteration, improvement, or changes ("DMMO Improvements") on or to the Office Space without the prior written consent of the City. Any and all DMMO Improvements made to the Office Space that become affixed or attached to the Office Space shall remain the property of the City upon the expiration or termination of this Agreement.

9. General City Services Fee: State law, ORS 320.300, allows city government to take a portion of its transient lodging tax allocation for general city services. The City will charge a General City Services Fee of no more than ten percent (10%) of the Funds, which it will deduct from the Funds prior to their transfer to the DMMO.

10. Policies and Procedures: When conducting work on City property or accessing/using City-owned systems, equipment, or facilities, the DMMO and its Agents shall follow at all times all applicable City policies.

11. Insurance: The DMMO shall obtain and maintain continuously in effect during the Agreement Term: Director's and Officer's Insurance (Management Indemnity) with a limit of one million dollars (\$1,000,000) and Commercial Insurance policy (Property, General Liability, Crime, Auto, Special Event) with a limit of one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) in the aggregate. In addition, if the DMMO employs any "subject worker" as defined in ORS 656.027, workers' compensation insurance for those workers, with statutory limits, and employer's liability insurance, with limits not less than five hundred thousand dollars (\$500,000) per each accident or disease. All of the DMMO's insurance coverage required by this section, except for workers' compensation, shall include an "Additional Insured" endorsement specifying Oregon City, its officers, employees, and agents as Additional Insureds, including Additional Insured status with respect to liability arising out of ongoing operations and completed operations, but only with respect to the DMMO's activities to be performed under this Agreement. Coverage shall be primary and non-contributory with any other insurance and self-insurance.

12. Confidential Information: At no time will anyone other than the DMMO and its Agents have access to DMMO records, including donor records and other documents, without the express, prior approval of the DMMO. The DMMO shall not have access to the City's confidential information without the express, prior approval of the City. During the term of this Agreement, the Parties acknowledge that they may have access to each other's

confidential information to some extent, as explained above. “Confidential Information” means information belonging to the DMMO or the City which is of value to such party and the disclosure of which could result in a competitive or other disadvantage to such party. This includes, without limitation, information concerning the business of the other, manner of operations, plans, donor lists, program or member information, processes, trade secrets, or other data. “Confidential Information” does not include: (1) information that was known to the receiving party before receipt from or on behalf of the disclosing party; (2) information that is disclosed to the receiving party by a third person who has a right to make such disclosure without any obligation of confidentiality to the party seeking to enforce its rights under this section; (3) information that is or becomes generally known in the trade without violation of this Agreement by the receiving party; or (4) information that is independently developed by the receiving party or its Agents without reference to the disclosing party’s information. Each party will protect the other’s Confidential Information with at least the same degree of care it uses with respect to its own Confidential Information. Neither the City nor the DMMO shall at any time, or in any manner, either directly or indirectly, divulge or communicate to any person or entity the other party’s Confidential Information unless required by law, regulation, or legal process or if requested by the other party in writing and with reasonable notice.

13. Ownership of Work Product. All work product created by the DMMO shall belong to the DMMO. All work product created by the City Liaison shall belong to the City.

14. Indemnification.

14.1. By the City. The City hereby irrevocably and unconditionally agrees, subject to the limitations and conditions of the Oregon Tort Claims Act, ORS 30.260 et seq., and the Oregon Constitution, Article XI, Section 7, to indemnify, defend, and hold harmless the DMMO and its Agents from and against any and all claims, actions, suits, demands, losses, damages, judgments, settlements, costs, and expenses, including reasonable attorneys’ fees and expenses, and liabilities of every kind and character whatsoever resulting from (a) any breach of this Agreement by the City or its Agents or (b) any other act or omission by the City or its Agents whether in connection with this Agreement or otherwise related hereto.

14.2. By the DMMO. The DMMO hereby irrevocably and unconditionally agrees to indemnify, defend, and hold harmless the City and its Agents from and against any and all claims, actions, suits, demands, losses, damages, judgments, settlements, costs, and expenses, including reasonable attorneys’ fees and expenses, and liabilities of every kind and character whatsoever resulting from (a) any breach of this Agreement by the DMMO or its Agents or (b) any other act or omission by the DMMO or its Agents whether in connection with this Agreement or otherwise related hereto.

14.3. By Either Party. No party to this Agreement will be required to indemnify or defend the other party for any liability arising solely out of wrongful, intentional, willful, negligent, or grossly negligent acts of a third party or the other party’s own Agents.

15. Relationship of Parties.

15.1. Separate Entities. The Parties expressly acknowledge and agree that they are, and intend to remain, separate entities. Each party agrees that its conduct and the conduct of its Agents, and any other legal obligations of that party, are the sole responsibility of that party. The relationship of the Parties under this Agreement is

that of independent contracting parties. Nothing in this Agreement creates a joint venture between the Parties. Neither party shall be deemed to be an employee, agent, partner, or legal representative of the other for any purpose and neither shall have any right, power or authority to create any obligation or responsibility on behalf of the other except as otherwise provided herein or pursuant to any other written agreement between the Parties. Each party shall, at its sole cost and expense, comply with all local, state, and federal laws, rules, ordinances, and regulations of all governing bodies having jurisdiction over the party in relation to its obligations under this Agreement and shall obtain all necessary permits, registrations, and licenses therefore.

- 15.2. Taxes, No Employment Relationship.** Each party shall pay all applicable sales taxes, use taxes, processing taxes, and federal and state taxes, as well as insurance, contributions for Social Security, and employment taxes which are measured by wages, salaries, or other remuneration paid by that party, whether levied under existing or subsequently enacted laws, rules, or regulations. Neither party nor its Agents are, nor shall they be treated as, employees of the other party with respect to the services performed under this Agreement for any purpose whatsoever.

16. Miscellaneous Provisions:

- 16.1. Attorney Fees.** In the event suit or action is brought, or an arbitration proceeding is initiated, to enforce or interpret any of the provisions of this Agreement, or that arise out of or relate to this Agreement, the prevailing party shall be entitled to reasonable attorney fees in connection therewith. The determination of who is the prevailing party and the amount of reasonable attorney fees to be paid to the prevailing party shall be decided by the arbitrator(s) (with respect to attorney fees incurred prior to and during the arbitration proceedings) and by the court or courts, including any appellate court, in which such matter is tried, heard, or decided, including a court that hears a request to compel or enjoin arbitration or to stay litigation or that hears any exceptions or objections to, or requests to modify, correct, or vacate, an arbitration award submitted to it for confirmation as a judgment (with respect to attorney fees incurred in such court proceedings).
- 16.2. Governing Law; Submission to Jurisdiction.** This Agreement shall be governed by and construed in accordance with the laws of the state of Oregon, without regard to conflict of law principles. The Parties consent to the exclusive jurisdiction of the Clackamas County Circuit Court in Oregon, and irrevocably agree that all actions or proceedings relating to this Agreement, or any related matter shall be litigated in such court. The Parties each waive any objection which it may have based on improper venue or forum non conveniens to the conduct of any such action or proceeding in such court.
- 16.3. Entire Agreement.** This Agreement contains the entire agreement of the Parties and supersedes all other prior or contemporaneous communications, representations, understandings, and agreements, either oral or written, relating to the subject matter of this Agreement.
- 16.4. Amendment.** This Agreement may be supplemented, amended, or revised only in writing by agreement of the Parties.
- 16.5. Severability.** If any provision of this Agreement is held illegal, invalid, or unenforceable, all other provisions of this Agreement shall nevertheless be

effective, and the illegal, invalid, or unenforceable provision shall be considered modified such that it is valid to the maximum extent permitted by law.

- 16.6. Notices.** All notices and other communications to be given hereunder shall be given in writing and shall be delivered personally, emailed, or mailed by certified mail, postage prepaid, to the addresses listed below. Notice shall be deemed to have been given on 1) the date of delivery (if delivered personally), or 2) the date emailed, or 3) (if mailed) on the date indicated by the electronic verification of delivery or refusal by the recipient.

If to the City:
Economic Development Manager
625 Center Street, PO. Box 3040
Oregon City, OR 97045
jgraham@orccity.org

If to the DMMO:
Executive Director
625 Center Street, P.O. Box 3040
Oregon City, OR 97045
_____@_____

The addresses to which notices are to be delivered may be changed by giving notice of the change in address in accordance with this provision.

- 16.7. Survival.** Any covenant or condition (including, but not limited to, all indemnification agreements) set forth in this Agreement, the full performance of which is not specifically required before the expiration or earlier termination of this Agreement, and any covenant or condition that by its terms is to survive, will survive the expiration or earlier termination of this Agreement and will remain fully enforceable thereafter.
- 16.8. Assignment; Subcontracting.** Neither party shall not assign its rights or delegate its duties under this Agreement, nor shall it subcontract the work, in whole or in part, without the other party's prior written consent.
- 16.9. No Presumption Against Drafter.** This Agreement shall be construed without regard to any presumption or rule requiring construction against the party drafting the Agreement.
- 16.10. Headings.** Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.
- 16.11. Waiver.** Any waiver of the provisions of this Agreement or of the Parties' rights or remedies under this Agreement shall be in writing and signed by an individual authorized by the City Commission (for the City) and by the Board (for the DMMO) to be effective. Failure, neglect, or delay by a party at any time to enforce the provisions of this Agreement or the Parties' rights or remedies shall not be construed as a waiver of such party's rights, powers, or remedies under this Agreement. Waiver of any breach or provision of this Agreement shall not be considered a waiver of any later breach or of the right to enforce any provision of this Agreement.

17. Authority to Sign: Each of the signatory parties below represents and warrants that the execution, delivery, and performance of this Agreement has been duly authorized, and they are signing with full and complete authority to bind the party on whose behalf they are signing to each and every term of this Agreement.

EXECUTION

On Behalf Of:
DESTINATION OREGON CITY, INC.

By (sign): _____

Print Name: _____

Title: _____

Date: _____

On Behalf Of:
CITY OF OREGON CITY

By (sign): _____

Print Name: _____

Title: _____

Date: _____

By (sign): _____

Print Name: _____

Title: _____

Date: _____

**BYLAWS
OF
DESTINATION OREGON CITY, INC.**



Adopted by the Board of Directors on:

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NOTE: The Oregon Nonprofit Corporation Act, ORS Chapter 65, governs nonprofit organizations incorporated in Oregon. If a conflict exists between these Bylaws and the provisions contained in that Act as it is currently written or as amended, the provisions of the Act govern the organization.

**BYLAWS
OF
DESTINATION OREGON CITY, INC.**

ARTICLE 1: PURPOSE

This corporation is organized exclusively as a Board of Trade Destination Management and Marketing Organization. Subject to the limitations stated in the Articles of Incorporation, the purposes of this organization shall be to engage in any lawful activities, none of which are for profit, for which corporations may be organized under Chapter 65 of the Oregon Revised Statutes (“ORS”) (or its corresponding future provisions) and Section 501(c)(6) of the Internal Revenue Code (or its corresponding future provisions).

Within these limits, this corporation’s purposes shall include the following:

Drive economic growth for the benefit of Oregon City’s tourism industry partners, visitors, and residents through strategic marketing, management, and community involvement in order to improve business conditions and promote the common economic interests of the community’s tourism industry.

ARTICLE 2: NO VOTING MEMBERS

The corporation shall not have any voting members, as that term is defined in ORS 65 (or its corresponding future provisions). However, the Board of Directors from time to time may establish one or more classes of nonvoting members on such terms and conditions as the Board in its discretion deems advisable.

ARTICLE 3: BOARD OF DIRECTORS

3.1 Powers. All corporate powers shall be exercised by or under the authority of, and the affairs of the corporation managed under the direction of, a Board of Directors.

3.2 Board Duties. The Board of Directors shall exercise, delegate, or otherwise authorize the exercise of all corporate powers and shall direct the management of the Corporation’s affairs. Such management includes, but is not limited to the following:

(a) ~~1~~—establish the Corporation’s policies and review and change them as necessary,

(b) ~~2~~—oversee its programs,

(c) ~~3~~—appoint or employ and supervise its executive director or head of staff,

(d) ~~4~~—authorize its expenditures,

(e) ~~5~~—oversee its financial affairs, and

(f) ~~6~~—ensure the proper management and use of its assets and property.

Whenever the Board of Directors delegates any of its authority or responsibility, the Board of Directors shall retain ultimate authority and responsibility over the matter delegated. The Board of Directors ~~must~~shall also ensure that the Corporation:

(a) ~~1~~—properly employs the necessary corporate formalities to make its decisions,

(b) ~~2~~—prepares and submits all required state and federal reports, and

(c) ~~3~~—operates in compliance with relevant state and federal laws.

Board Directors ~~must~~shall diligently prepare for, attend, and participate in the meetings of the Board of Directors and any Board committees as needed, in order to carry out these tasks. The role of the Board of Directors does not include direct management or conduct of the daily operations of the Corporation

3.3 Individual Director Duties. It is the duty of each Director to comply with the standard of conduct required of Directors in ORS 65.357 (or its corresponding future provisions). As such, Directors shall discharge their duties in good faith with the care an ordinarily prudent person in a like position would exercise under similar circumstances and in a manner the Director reasonably believes to be in the best interests of the corporation. In addition, Directors will strive to understand all laws, regulations, and rules applicable to the organization, in order to ensure the organization's legal compliance. In discharging their duties, Directors are allowed to rely on information presented by competent professionals, as explained in ORS 65.357 (or its corresponding future provisions).

3.4 Qualifications and Composition. Nominees for Director positions ~~must~~shall have demonstrated an interest in and dedication to the mission of the corporation as well as a meaningful connection to Oregon City's tourism industry. All Directors ~~must~~shall be individuals 18 years of age or older. The corporation recognizes the importance of including voices from the following sectors: Lodging, retail, restaurant, outdoor recreation, beverage, historic sites, river-based activities, and agritourism. As such, at all times, at least four of the Directors ~~must~~shall have a direct connection to one or more of those sectors through current or previous employment, investment, ownership, or nonprofit Board service. In order to preserve a diversity of voices, no more than one Directors may be from any one sector at any time. To the degree possible, the Board shall represent different geographical areas within Oregon City.

3.5 Number. The Board of Directors shall consist of not fewer than five and not more than seven voting Directors and one ex officio Director. The number of voting Directors may be fixed or changed periodically within the minimum and maximum by the Board of Directors. The term "Director" as used in these Bylaws shall include only voting Directors unless the ex officio Director is explicitly included. The ex officio Director has no vote and does not have any of the same rights or responsibilities as other Directors.

3.6 Election and Term of Office.

(a) Nominations. Nominations for new ~~m~~members of the Board of Directors may be made by the Board of Directors, or by individual Directors.

(b) Election Process. Elections shall take place at the Annual Meeting, unless scheduled to take place at a different time by a resolution of the Board of Directors.

(c) Each Director shall vote separately for each person nominated to be elected to serve on the Board of Directors. The vote ~~must~~shall be by a secret ballot if any nominee so requests.

(d) Election Policy and Procedures. The Board of Directors may prepare and adopt by resolution, a formal written policy regarding the details of the Board election process, including requirements for the announcement of elections and the solicitations of nominations, the role of a nominating committee, and the schedule and procedures that ~~must~~shall be used to hold elections.

(e) Term. The initial Directors shall be appointed by the Incorporator. Positions ~~two, four, and six~~one, four, and seven shall serve until the Annual Meeting in 2026, ~~and~~ positions ~~one, three, five, two and five and seven~~ shall serve until the Annual Meeting in 2027, ~~and positions three and six shall serve until the Annual Meeting in 2028~~. Subsequent Directors shall serve for terms of ~~three~~two years. ~~Directors, and~~ shall be elected on a rotating cycle. This means that each Director position is up for election every three years, starting with the year the initial term for that

~~position ended, as explained above, so that positions two, four, and six shall be elected in even years and positions one, three, five, and seven shall be elected in odd years.~~ Directors may, if re-elected, serve up to two consecutive terms and then mustshall take a one-year break before being eligible for re-election. Despite the expiration of a Director's term, the Director shall continue to serve until the Director's successor is elected and qualifies.

(f) Ex Officio Director: The ex officio Director shall be a currently serving Oregon City Commissioner. The ex officio Director shall be appointed by and serve at the pleasure of the Oregon City Commission. The ex officio Director may, if re-appointed, serve up to two consecutive terms and then mustshall take a one-year break before being eligible for re-appointment.

3.7 Resignation. A Director may resign at any time by delivering written notice to the Chair or the Secretary. A resignation is effective when notice is received, unless the notice specifies a later effective date. Once delivered, a notice of resignation is irrevocable unless revocation is permitted by the Board of Directors. Disagreements as to when the notice was "received," and thus effective, should be resolved by reference to ORS 65.034 (or its corresponding future provisions).

3.8 Removal. A Director may be removed at any time, with or without cause, by a two-thirds vote of the Directors then in office, not including the Director to be removed. Notice of the meeting mustshall be given that states that the removal of a Director is to be considered at that meeting. If a Director misses more than one-third of the Board meetings in any year without an excuse ~~d absence accepted by the Board or the Chair~~, the Board mustshall consider removal of that Director, following the procedure explained above.

3.9 Vacancies. A vacancy in the Board of Directors shall exist upon the death, resignation, or removal of any Director or a vote by the Board to increase the number of Directors within the limits for the number of Directors allowed in these Bylaws. A vacancy in the Board of Directors may be filled by a vote of the majority of the remaining Directors still in office, although less than a quorum, at any meeting. Each Director so elected shall hold office for the balance of the unexpired term of his or her predecessor, or in the case of an increase in the number of Directors within the range allowed by these Bylaws, until the year set for their re-election by their position number, as explained above. If the Board of Directors receives the resignation of a Director tendered to take effect at a future time, a successor may be elected to take office when the resignation becomes effective.

3.10 Annual Meeting. An annual meeting of the Board of Directors shall be held during the first quarter of the corporation's fiscal year, unless the meeting is scheduled to take place at a different time by a resolution of the Board of Directors, at a time and place designated by the Board of Directors.

3.11 Regular and Special Meetings. The Board of Directors mustshall meet at least four times a year, ideally once in each quarter. The Board shall establish by resolution a regular schedule for meetings, and these meetings are called regular meetings. All other meetings are special meetings. The Board of Directors mustshall hold annual, regular, or special meetings within the legal boundaries of Oregon City.

3.12 Call and Notice of Meetings. Required notices under these Bylaws mustshall be posted on the organization's website and provided by email to those who have signed up for notice at least four days prior to every meeting. Notice mustshall also be given to each Director currently in office at the time notice is provided and shall be given at the following times, unless stated otherwise in the Articles of Incorporation or these Bylaws: At least seven days' notice if given by

first-class mail, or four days' notice if given electronically (including by email or text message), or two days' notice if given verbally directly to the Director (including by telephone). The schedule of regular meetings ~~must~~shall be given to all Directors, with the first meeting on the schedule being preceded by notice, as explained above. Once notice has been given of a schedule for regular meetings of the Board of Directors, further regular meetings on that schedule may be held without further notice of the date, time, or place of the meeting. Notice of special meetings shall be given as described above. All notices ~~must~~shall give the date, time, and place of the meeting. Except as specifically provided in these Bylaws or applicable law, the notice need not describe the purposes of any meeting. The Chair or one-third of the Directors then in office may call and give notice of a meeting of the Board.

3.13 Waiver of Notice. A Director may at any time waive any notice required by these Bylaws. A Director's attendance at or participation in a meeting waives any required notice to the Director of the meeting unless the Director, at the beginning of the meeting or promptly upon the Director's arrival, objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to any action taken at the meeting. Except as provided in the preceding sentence, any waiver ~~must~~shall be in writing, ~~must~~shall be signed by the Director entitled to the notice, ~~must~~shall specify the meeting for which the notice is waived, and ~~must~~shall be filed with the minutes or the corporate records.

3.14 Telephonic/Video Participation. With four days advance notice to the Chair of the Board of Directors, any Director that has a physical challenge to attending a meeting in person may participate in any meeting by videoconference. In addition, in the event of an emergency that prevents the Directors from meeting together in person, the Chair may conduct a meeting via videoconference as long as all Directors participating may simultaneously communicate with each other during the meeting. A Director participating in a meeting by videoconference is deemed to be present in person at the meeting.

3.15 Quorum and Voting. When conducting meetings, the Board of Directors shall adopt Robert's Rules of Order. A quorum of the Board of Directors shall consist of a majority of the number of Directors in office immediately before the meeting begins. If a quorum is present when a vote is taken, the affirmative vote of a majority of the Directors present when the action is taken is the act of the Board of Directors except to the extent that the Articles of Incorporation, these Bylaws, or applicable law require the vote of a greater number of Directors. A Director is considered present regardless of whether the Director votes or abstains from voting.

Prior to voting, a motion ~~must~~shall be clearly stated and seconded, a vote ~~must~~shall be taken, and the vote ~~must~~shall be recorded in the meeting minutes. Each Director has one vote on each motion. If any Director so requests, the minutes shall include the names of each Director who voted for, voted against, or abstained from a specific motion.

3.16 Presumption of Assent. A Director who is present at a meeting of the Board of Directors when corporate action is taken is deemed to have assented to the action taken unless:

(a) The Director objects at the beginning of the meeting, or promptly upon the Director's arrival, to holding the meeting or transacting the business at the meeting;

(b) The Director's dissent or abstention from the action taken is entered in the minutes of the meeting; or

(c) The Director delivers written notice of dissent or abstention to the presiding Officer of the meeting before its adjournment or to the corporation immediately after adjournment of the meeting. The right of dissent or abstention is not available to a Director who votes in favor of the action taken.

3.17 No Proxy Voting. No proxy voting is allowed at any meeting of the Board of Directors or as part of reaching any decision of the Board.

3.18 Compensation. Directors and members of committees may not receive reimbursement of expenses unless the Board first adopts a Travel & Expenses Reimbursement Policy; thereafter, Directors and members of committees may be reimbursed for expenses in accordance with that policy and as may be determined by resolution of the Board of Directors to be just and reasonable. Directors shall not otherwise be compensated for service in their capacity as Directors.

3.19 Executive Session Meetings. Meetings shall normally be open to the public. However, the Board, by majority vote, may at any time decide to go into an Executive Session meeting. Executive Session shall be used when the Board of Directors deems it is necessary to protect the confidentiality of the matters that will be considered there. Executive Session meetings may be attended only by members of the Board of Directors, and any guests the Board invites to join the meeting, which may include the Executive Director, other staff, or any other person the Board wishes to invite. A Director may only be excluded from any portion of Executive Session meetings in which matters will be considered that present a conflict of interest for that Director. Minutes shall be properly recorded, but shall only be read or approved at a subsequent Executive Session if there is a need to continue to ensure the confidentiality of the matters contained in the minutes. The Secretary shall take care to record in the minutes only the motions passed and information essential to comply with the law, in order to protect the confidential nature of Executive Sessions.

3.20 Authority of Directors. The Chair shall be an official spokesperson for the organization, and may represent the organization and its positions whenever appropriate. No member of the Board of Directors, ~~including other than~~ the Chair, may officially represent the positions of the organization or speak or act on behalf of the organization without specific approval by the Board to do so.

3.21 Director Conflicts of Interest. A conflict-of-interest transaction occurs whenever the corporation pays money or other compensation, or provides any tangible benefits, to an Officer or Director or to a member of a Director's or Officer's family, or if the Director or Officer otherwise has a direct or indirect interest in the transaction, as defined in ORS 65.361 (or its corresponding future provisions). All conflict-of-interest transactions ~~must~~shall be approved according to the following procedures:

(a) Conflict-of-interest transactions ~~must~~shall be approved by the full Board of Directors; they cannot be approved by the Chair, Executive Committee, Executive Director, or other staff even if those individuals or committees would normally approve the type of transaction at issue.

(b) Directors and Officers who have a conflict of interest in any matter ~~must~~shall:

- 1) declare the existence of the conflict of interest,
- 2) disclose on the record to the rest of the Board the details of their conflict and of the proposed transaction,
- 3) leave the room during any Board discussion of the transaction and not otherwise participate in that discussion, and
- 4) abstain from voting on that matter and leave the room where the vote is to take place until the votes have been counted. These steps

~~must~~shall be clearly reflected in the minutes to document that they were taken.

(c) The rest of the Board of Directors ~~must~~shall analyze the transaction and sufficient information to ensure that all transactions involving a conflict of interest are fair to the corporation and that no special benefits are being given to any person. The information relied upon by the Board of Directors, and its source, ~~must~~shall be recorded in the minutes.

(d) All conflict-of-interest transactions ~~must~~shall be approved by the affirmative vote of a majority of all of the members of the Board of Directors who do not have a conflict of interest involved in that issue. However, a transaction may not be authorized, approved, or ratified under this section by a single Director. If a majority of the Directors who have no direct or indirect interest in the transaction vote to authorize, approve, or ratify the transaction, a quorum is present for the purpose of taking action under this section.

ARTICLE 4: OFFICERS AND STAFF

4.1 Officers. The Officers of the corporation shall be a Chair, ~~a Vice Chair,~~ a Secretary, a Treasurer, ~~a Vice Chair,~~ and such other Officers as the Board of Directors shall from time to time appoint. The Officers shall be appointed by, and hold office at the pleasure of, the Board of Directors. The same individual may simultaneously hold more than one office, except that the offices of Chair, Secretary, and Treasurer may not be held simultaneously by the same individual. Officers ~~must~~shall serve simultaneously as members of the Board of Directors.

4.2 Term and Election. Officers will be elected for two-year terms by the Board of Directors. The Chair and Secretary positions shall be re-elected in even years and the Vice Chair and Treasurer positions shall be re-elected in odd years. Election of Officers ~~must~~shall be done as soon as possible following the election of Directors. However, unless they formally resign or are removed from office, Officers will remain in office until their successors are properly elected, designated, or appointed. There is no limit to the number of terms, successive or otherwise, an Officer may serve.

4.3 Removal. Any Officer may be removed, either with or without cause, at any time by a two-thirds vote of the Directors currently in office, not including the Director serving in the Officer position being considered for removal.

4.4 Resignation. An Officer may resign at any time by delivering notice to the Board of Directors, the Chair, or the Secretary. A resignation is effective when notice is received, unless the notice specifies a later effective date. Once delivered, a notice of resignation is irrevocable unless revocation is permitted by the Board of Directors. Disagreements as to when the notice was “received,” and thus effective, should be resolved by reference to ORS 65.034 (or its corresponding future provisions).

4.5 Vacancies. If a vacancy in an Officer position exists due to the death, resignation, or removal of any Officer or for any other reason, the remaining Directors may fill that position by a majority vote. The elected Officer will hold office for the unexpired term of that office.

4.6 Chair (President). The President, which shall be called “the Chair,” shall preside at meetings of the Board of Directors, shall assure that the Board of Directors is advised on all significant matters of the corporation’s business, shall act as a principal spokesperson and representative of the corporation, shall be the chief executive officer of the corporation and have the general powers and duties of management usually vested in a chief executive officer, and shall have such other powers and duties as may be prescribed by the Board of Directors or these Bylaws.

4.7 Vice Chair. The Vice Chair shall preside at meetings of the Board of Directors at which the Chair is absent and in the absence of the Chair shall have the other powers and perform the other duties of the Chair. The Vice Chair also shall have such other powers and perform such other duties as may be prescribed by the Board of Directors.

4.8 Secretary. The Secretary shall have responsibility for preparing minutes of meetings of the Board of Directors and for authenticating records of the corporation. The Secretary shall keep or cause to be kept, at the principal office or such other place as the Board of Directors may order, a book of minutes of all meetings of Directors. In the absence of the Chair, the Secretary shall have the powers and perform the duties of the Vice Chair. The Secretary also shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these Bylaws.

4.9 Treasurer. The Treasurer shall be the chief financial officer of the corporation and shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the corporation. The Treasurer shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board of Directors, shall disburse or cause to be disbursed funds of the corporation as may be ordered by the Board of Directors, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these Bylaws. If required by the Board of Directors, the Treasurer shall give the corporation a bond in such amount and with such surety specified by the Board of Directors for the faithful performance of the duties of the Treasurer's office and for restoration to the corporation of all of its books, papers, vouchers, money, and other property of every kind in the Treasurer's possession or under the Treasurer's control on the Treasurer's death, resignation, retirement, or removal from office.

4.10 Executive Director. The Board of Directors may appoint or employ an Executive Director or other staff, whether paid or unpaid, to perform and conduct the programs and activities of the organization. The Board of Directors shall evaluate the performance of the Executive Director on an annual basis and the Executive Director shall serve at the pleasure of the Board. Unless the Board determines otherwise, the Executive Director will have the power, subject to the approval of the Board of Directors, to hire staff, establish staff duties and performance standards, evaluate the performance of staff, and when necessary terminate the employment of staff of the corporation. The Executive Director shall generally receive notice of all meetings of the Board of Directors and Executive Committee meetings, although failure to provide such notice does not make any meeting or action taken at such meeting invalid. The Executive Director shall ordinarily attend all Board meetings, except when the Board goes in to Executive Session to review the Executive Director's performance or discuss other matters related to their employment ~~to meet without the Executive Director present.~~

ARTICLE 5: COMMITTEES

5.1 Creation. The Board of Directors may establish any committee, including standing committees or temporary committees, Board committees, and advisory committees by a resolution of the Board, in accordance with the procedures stated below.

5.2 Board Committees. The Board of Directors may create one or more committees of the Board of Directors and appoint members of the Board to serve on them or designate the method of selecting committee members. Each committee shall consist of two or more Directors who serve at the pleasure of the Board of Directors. All members of Board Committees that have the authority

to vote on matters before that committee ~~must~~shall serve simultaneously as members of the Board of Directors. The creation of a committee and the appointment of Directors to the committee or designation of a method of selecting committee members ~~must~~shall be approved by a majority of all Directors in office when the action is taken. The provisions of these Bylaws governing meetings—including action without meetings, notice and waiver of notice, quorum and voting requirements, and minute taking—shall apply to Board committees and their members as well. Committees may only exercise the authority granted to them by the full Board upon their creation, or as changed by the Board from time to time. Any actions outside of that authority ~~must~~shall be submitted to the Board as a recommendation and approved by the Board to be binding. The Board may dissolve or revoke the powers of a committee at any time by action of the Board.

5.3 Limitation on Powers. No Committee may:

(a) Authorize distributions, provided that this restriction does not apply to payment of value for property received or services performed or payment of benefits in furtherance of the corporation's purposes;

(b) Approve or recommend dissolution, merger, or the sale, pledge, or transfer of all or substantially all of the corporation's assets;

(c) Elect, appoint, or remove Directors or fill vacancies on the Board or on any of its committees; or

(d) Adopt, amend, or repeal the Articles of Incorporation or Bylaws.

The Board of Directors shall always have the power to amend, alter, or repeal the decisions of committees, subject to limitations on the unilateral amending of contracts, interference with third party rights, and other legal limitations.

5.4 Committee Chairs. One member of each committee will be selected or appointed Committee Chair by the Board of Directors, or if the Board wishes, it may delegate that power to the Board Chair or to the members of the committee.

5.5 Advisory Committees. The Board of Directors may create one or more advisory committees. At least one Director shall be a member of any advisory committee, but the other committee members need not be Directors. These committees shall have no power to act on behalf of, or to exercise the authority of, the Board of Directors, but may make recommendations to the Board of Directors.

ARTICLE 6: GENERAL PROVISIONS

6.1 Statement of Nondiscrimination. The corporation shall not discriminate in providing services, hiring employees, or otherwise, upon the basis of gender, race, disability, marital status, sexual orientation, religion, color, age, disability, or national origin.

6.2 Inspection of Books and Records. All books, records, and accounts of the corporation shall be open to inspection by the Directors in the manner and to the extent required by law.

6.3 Checks, Drafts, Etc. All checks, drafts, and other orders for payment of money, notes, or other evidences of indebtedness issued in the name of or payable to the corporation shall be signed or endorsed by such person or persons and in such manner as shall be determined from time to time by resolution of the Board of Directors.

6.4 Deposits. All funds of the corporation not otherwise employed shall be deposited to the credit of the corporation in those banks, trust companies, or other depositories selected by the Board of Directors or be invested as authorized by the Board of Directors.

6.5 Loans or Guarantees. The corporation shall not borrow money and no evidence of indebtedness shall be issued in its name unless authorized by the Board of Directors. This authority

may be general or confined to specific instances. Except as explicitly permitted by ORS 65.364 (or its corresponding future provisions), the corporation shall not make a loan, guarantee an obligation, or modify a pre-existing loan or guarantee to or for the benefit of a Director or Officer of the corporation.

6.6 Execution of Documents. The Board of Directors may, except as otherwise provided in these Bylaws, authorize any Officer or agent to enter into any contract or execute any instrument in the name of and on behalf of the corporation. Such authority may be general or confined to specific instances. Unless so authorized by the Board of Directors, no Officer, agent, or employee shall have any power or authority to bind the corporation by any contract or engagement, or to pledge its credit, or to render it liable for any purpose or for any amount.

6.7 Insurance. The corporation may purchase and maintain insurance on behalf of any person who is made, or threatened to be made, a party to an action, suit, or other proceeding, by reason of the fact that the person is or was a Director, Officer, employee, volunteer, or agent of the corporation or a fiduciary within the meaning of the Employee Retirement Income Security Act of 1974 (or its corresponding future provisions) with respect to any employee benefit plan of the corporation; provided, however, that the corporation may not purchase or maintain such insurance to indemnify any Director, Officer, or agent of the corporation in connection with any proceeding charging improper personal benefit to the Director, Officer, or agent in which the Director, Officer, or agent was adjudged liable on the basis that personal benefit was improperly received by the Director, Officer, or agent.

6.8 Fiscal Year. The fiscal year of the corporation shall begin on the first day of July and end on the last day of June in each year.

6.9 Severability. A determination that any provision of these Bylaws is for any reason inapplicable, invalid, illegal, or otherwise ineffective shall not affect or invalidate any other provision of these Bylaws.

6.10 Limitation on Liability, Indemnification. No Director or uncompensated Officer shall be personally liable to the corporation for monetary damages for conduct as a Director or Officer, provided that this Article shall not eliminate or limit the liability of a Director or Officer for any act or omission for which such elimination of liability is not permitted under the Oregon Nonprofit Corporation Act. No amendment to the Oregon Nonprofit Corporation Act that further limits the acts or omissions for which elimination of liability is permitted shall affect the liability of a Director or Officer for any act or omission which occurs prior to the effective date of the amendment.

The corporation shall indemnify to the fullest extent permitted by, and in accordance with the provisions of, the Oregon Nonprofit Corporation Act and federal law any person who is made, or threatened to be made, a party to an action, suit, or proceeding, whether civil, criminal, administrative, investigative, or otherwise (including an action, suit, or proceeding by or in the right of the corporation), by reason of the fact that the person is or was a Director, Officer, employee, or agent of the corporation, provided, that in the event of a settlement, to the extent allowed by law, the Board of Directors ~~must~~shall approve the settlement in advance. The corporation shall pay for or reimburse the reasonable expenses incurred by any such person in any such proceeding in advance of the final disposition after the Board of Directors has taken such action as required by ORS 65.404 (or its corresponding future provision), including providing notice of the proposed indemnification to the Attorney General. No amendment to this Article that limits the corporation's obligation to indemnify any person shall have any effect on such obligation for any act or omission that occurs prior to the later of the effective date of the amendment or the

date notice of the amendment is given to the person. This Article shall not be deemed exclusive of any other provisions for indemnification or advancement of expenses of Directors, Officers, employees, agents and fiduciaries that may be allowable under any statute, bylaw, agreement, or general or specific action of the Board of Directors.

ARTICLE 7: AMENDMENT

Any amendment to the Bylaws or Articles of Incorporation of this corporation shall be approved by two-thirds of the ~~The affirmative vote of at least two-thirds of all the~~ Directors in office, ~~at a properly called meeting with, at which~~ a quorum ~~is present, is necessary and sufficient, to make, alter, amend, or repeal the Bylaws or the Articles of Incorporation of this corporation,~~ except as otherwise provided by law. Proper written notice ~~must~~shall be given in advance, including either a written copy of the proposed amendments or a written summary of those amendments and stating that the purpose, or one of the purposes, of the meeting is to consider a proposed amendment to the Bylaws or Articles of Incorporation.



CERTIFICATION

I, the undersigned Secretary of Destination Oregon City, Inc., hereby certify that the foregoing Bylaws were duly adopted by the Board of Directors of Destination Oregon City, Inc. on _____.

Signature: _____

Date: _____

Printed Name: _____

**BYLAWS
OF
DESTINATION OREGON CITY, INC.**



Adopted by the Board of Directors on:

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ARTICLE 7. AMENDMENT

NOTE: The Oregon Nonprofit Corporation Act, ORS Chapter 65, governs nonprofit organizations incorporated in Oregon. If a conflict exists between these Bylaws and the provisions contained in that Act as it is currently written or as amended, the provisions of the Act govern the organization.

**BYLAWS
OF
DESTINATION OREGON CITY, INC.**

ARTICLE 1: PURPOSE

This corporation is organized exclusively as a Board of Trade Destination Management and Marketing Organization. Subject to the limitations stated in the Articles of Incorporation, the purposes of this organization shall be to engage in any lawful activities, none of which are for profit, for which corporations may be organized under Chapter 65 of the Oregon Revised Statutes (“ORS”) (or its corresponding future provisions) and Section 501(c)(6) of the Internal Revenue Code (or its corresponding future provisions).

Within these limits, this corporation’s purposes shall include the following:

Drive economic growth for the benefit of Oregon City’s tourism industry partners, visitors, and residents through strategic marketing, management, and community involvement in order to improve business conditions and promote the common economic interests of the community’s tourism industry.

ARTICLE 2: NO VOTING MEMBERS

The corporation shall not have any voting members, as that term is defined in ORS 65 (or its corresponding future provisions). However, the Board of Directors from time to time may establish one or more classes of nonvoting members on such terms and conditions as the Board in its discretion deems advisable.

ARTICLE 3: BOARD OF DIRECTORS

3.1 Powers. All corporate powers shall be exercised by or under the authority of, and the affairs of the corporation managed under the direction of, a Board of Directors.

3.2 Board Duties. The Board of Directors shall exercise, delegate, or otherwise authorize the exercise of all corporate powers and shall direct the management of the Corporation’s affairs. Such management includes, but is not limited to the following:

- (a) establish the Corporation’s policies and review and change them as necessary,
- (b) oversee its programs,
- (c) appoint or employ and supervise its executive director or head of staff,
- (d) authorize its expenditures,
- (e) oversee its financial affairs, and
- (f) ensure the proper management and use of its assets and property.

Whenever the Board of Directors delegates any of its authority or responsibility, the Board of Directors shall retain ultimate authority and responsibility over the matter delegated. The Board of Directors shall also ensure that the Corporation:

- (a) properly employs the necessary corporate formalities to make its decisions,
- (b) prepares and submits all required state and federal reports, and
- (c) operates in compliance with relevant state and federal laws.

Board Directors shall diligently prepare for, attend, and participate in the meetings of the Board of Directors and any Board committees as needed, in order to carry out these tasks. The role of the

Board of Directors does not include direct management or conduct of the daily operations of the Corporation

3.3 Individual Director Duties. It is the duty of each Director to comply with the standard of conduct required of Directors in ORS 65.357 (or its corresponding future provisions). As such, Directors shall discharge their duties in good faith with the care an ordinarily prudent person in a like position would exercise under similar circumstances and in a manner the Director reasonably believes to be in the best interests of the corporation. In addition, Directors will strive to understand all laws, regulations, and rules applicable to the organization, in order to ensure the organization's legal compliance. In discharging their duties, Directors are allowed to rely on information presented by competent professionals, as explained in ORS 65.357 (or its corresponding future provisions).

3.4 Qualifications and Composition. Nominees for Director positions shall have demonstrated an interest in and dedication to the mission of the corporation as well as a meaningful connection to Oregon City's tourism industry. All Directors shall be individuals 18 years of age or older. The corporation recognizes the importance of including voices from the following sectors: Lodging, retail, restaurant, outdoor recreation, beverage, historic sites, river-based activities, and agritourism. As such, at all times, at least four of the Directors shall have a direct connection to one or more of those sectors through current or previous employment, investment, ownership, or nonprofit Board service. In order to preserve a diversity of voices, no more than one Directors may be from any one sector at any time. To the degree possible, the Board shall represent different geographical areas within Oregon City.

3.5 Number. The Board of Directors shall consist of not fewer than five and not more than seven voting Directors and one ex officio Director. The number of voting Directors may be fixed or changed periodically within the minimum and maximum by the Board of Directors. The term "Director" as used in these Bylaws shall include only voting Directors unless the ex officio Director is explicitly included. The ex officio Director has no vote and does not have any of the same rights or responsibilities as other Directors.

3.6 Election and Term of Office.

(a) Nominations. Nominations for new members of the Board of Directors may be made by the Board of Directors, or by individual Directors.

(b) Election Process. Elections shall take place at the Annual Meeting, unless scheduled to take place at a different time by a resolution of the Board of Directors.

(c) Each Director shall vote separately for each person nominated to be elected to serve on the Board of Directors. The vote shall be by a secret ballot if any nominee so requests.

(d) Election Policy and Procedures. The Board of Directors may prepare and adopt by resolution, a formal written policy regarding the details of the Board election process, including requirements for the announcement of elections and the solicitations of nominations, the role of a nominating committee, and the schedule and procedures that shall be used to hold elections.

(e) Term. The initial Directors shall be appointed by the Incorporator. Positions one, four, and seven shall serve until the Annual Meeting in 2026, positions two and five shall serve until the Annual Meeting in 2027, and positions three and six shall serve until the Annual Meeting in 2028. Subsequent Directors shall serve for terms of three years. Directors shall be elected on a rotating cycle. This means that each Director position is up for election every three years, starting with the year the initial term for that position ended, as explained above. Directors may, if re-elected, serve up to two consecutive terms and then shall take a one-year break before

being eligible for re-election. Despite the expiration of a Director's term, the Director shall continue to serve until the Director's successor is elected and qualifies.

(f) **Ex Officio Director:** The ex officio Director shall be a currently serving Oregon City Commissioner. The ex officio Director shall be appointed by and serve at the pleasure of the Oregon City Commission. The ex officio Director may, if re-appointed, serve up to two consecutive terms and then shall take a one-year break before being eligible for re-appointment.

3.7 Resignation. A Director may resign at any time by delivering written notice to the Chair or the Secretary. A resignation is effective when notice is received, unless the notice specifies a later effective date. Once delivered, a notice of resignation is irrevocable unless revocation is permitted by the Board of Directors. Disagreements as to when the notice was "received," and thus effective, should be resolved by reference to ORS 65.034 (or its corresponding future provisions).

3.8 Removal. A Director may be removed at any time, with or without cause, by a two-thirds vote of the Directors then in office, not including the Director to be removed. Notice of the meeting shall be given that states that the removal of a Director is to be considered at that meeting. If a Director misses more than one-third of the Board meetings in any year without an excused absence, the Board shall consider removal of that Director, following the procedure explained above.

3.9 Vacancies. A vacancy in the Board of Directors shall exist upon the death, resignation, or removal of any Director or a vote by the Board to increase the number of Directors within the limits for the number of Directors allowed in these Bylaws. A vacancy in the Board of Directors may be filled by a vote of the majority of the remaining Directors still in office, although less than a quorum, at any meeting. Each Director so elected shall hold office for the balance of the unexpired term of his or her predecessor, or in the case of an increase in the number of Directors within the range allowed by these Bylaws, until the year set for their re-election by their position number, as explained above. If the Board of Directors receives the resignation of a Director tendered to take effect at a future time, a successor may be elected to take office when the resignation becomes effective.

3.10 Annual Meeting. An annual meeting of the Board of Directors shall be held during the first quarter of the corporation's fiscal year, unless the meeting is scheduled to take place at a different time by a resolution of the Board of Directors, at a time and place designated by the Board of Directors.

3.11 Regular and Special Meetings. The Board of Directors shall meet at least four times a year, ideally once in each quarter. The Board shall establish by resolution a regular schedule for meetings, and these meetings are called regular meetings. All other meetings are special meetings. The Board of Directors shall hold annual, regular, or special meetings within the legal boundaries of Oregon City.

3.12 Call and Notice of Meetings. Required notices under these Bylaws shall be posted on the organization's website and provided by email to those who have signed up for notice at least four days prior to every meeting. Notice shall also be given to each Director currently in office at the time notice is provided and shall be given at the following times, unless stated otherwise in the Articles of Incorporation or these Bylaws: At least seven days' notice if given by first-class mail, or four days' notice if given electronically (including by email or text message), or two days' notice if given verbally directly to the Director (including by telephone). The schedule of regular meetings shall be given to all Directors, with the first meeting on the schedule being preceded by notice, as explained above. Once notice has been given of a schedule for regular

meetings of the Board of Directors, further regular meetings on that schedule may be held without further notice of the date, time, or place of the meeting. Notice of special meetings shall be given as described above. All notices shall give the date, time, and place of the meeting. Except as specifically provided in these Bylaws or applicable law, the notice need not describe the purposes of any meeting. The Chair or one-third of the Directors then in office may call and give notice of a meeting of the Board.

3.13 Waiver of Notice. A Director may at any time waive any notice required by these Bylaws. A Director's attendance at or participation in a meeting waives any required notice to the Director of the meeting unless the Director, at the beginning of the meeting or promptly upon the Director's arrival, objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to any action taken at the meeting. Except as provided in the preceding sentence, any waiver shall be in writing, shall be signed by the Director entitled to the notice, shall specify the meeting for which the notice is waived, and shall be filed with the minutes or the corporate records.

3.14 Telephonic/Video Participation. With four days advance notice to the Chair of the Board of Directors, any Director that has a physical challenge to attending a meeting in person may participate in any meeting by videoconference. In addition, in the event of an emergency that prevents the Directors from meeting together in person, the Chair may conduct a meeting via videoconference as long as all Directors participating may simultaneously communicate with each other during the meeting. A Director participating in a meeting by videoconference is deemed to be present in person at the meeting.

3.15 Quorum and Voting. When conducting meetings, the Board of Directors shall adopt Robert's Rules of Order. A quorum of the Board of Directors shall consist of a majority of the number of Directors in office immediately before the meeting begins. If a quorum is present when a vote is taken, the affirmative vote of a majority of the Directors present when the action is taken is the act of the Board of Directors except to the extent that the Articles of Incorporation, these Bylaws, or applicable law require the vote of a greater number of Directors. A Director is considered present regardless of whether the Director votes or abstains from voting.

Prior to voting, a motion shall be clearly stated and seconded, a vote shall be taken, and the vote shall be recorded in the meeting minutes. Each Director has one vote on each motion. If any Director so requests, the minutes shall include the names of each Director who voted for, voted against, or abstained from a specific motion.

3.16 Presumption of Assent. A Director who is present at a meeting of the Board of Directors when corporate action is taken is deemed to have assented to the action taken unless:

(a) The Director objects at the beginning of the meeting, or promptly upon the Director's arrival, to holding the meeting or transacting the business at the meeting;

(b) The Director's dissent or abstention from the action taken is entered in the minutes of the meeting; or

(c) The Director delivers written notice of dissent or abstention to the presiding Officer of the meeting before its adjournment or to the corporation immediately after adjournment of the meeting. The right of dissent or abstention is not available to a Director who votes in favor of the action taken.

3.17 No Proxy Voting. No proxy voting is allowed at any meeting of the Board of Directors or as part of reaching any decision of the Board.

3.18 Compensation. Directors and members of committees may not receive reimbursement of expenses unless the Board first adopts a Travel & Expenses Reimbursement

Policy; thereafter, Directors and members of committees may be reimbursed for expenses in accordance with that policy and as may be determined by resolution of the Board of Directors to be just and reasonable. Directors shall not otherwise be compensated for service in their capacity as Directors.

3.19 Executive Session Meetings. Meetings shall normally be open to the public. However, the Board, by majority vote, may at any time decide to go into an Executive Session meeting. Executive Session shall be used when the Board of Directors deems it is necessary to protect the confidentiality of the matters that will be considered there. Executive Session meetings may be attended only by members of the Board of Directors, and any guests the Board invites to join the meeting, which may include the Executive Director, other staff, or any other person the Board wishes to invite. A Director may only be excluded from any portion of Executive Session meetings in which matters will be considered that present a conflict of interest for that Director. Minutes shall be properly recorded, but shall only be read or approved at a subsequent Executive Session if there is a need to continue to ensure the confidentiality of the matters contained in the minutes. The Secretary shall take care to record in the minutes only the motions passed and information essential to comply with the law, in order to protect the confidential nature of Executive Sessions.

3.20 Authority of Directors. The Chair shall be an official spokesperson for the organization, and may represent the organization and its positions whenever appropriate. No member of the Board of Directors, including the Chair, may officially represent the positions of the organization or speak or act on behalf of the organization without specific approval by the Board to do so.

3.21 Director Conflicts of Interest. A conflict-of-interest transaction occurs whenever the corporation pays money or other compensation, or provides any tangible benefits, to an Officer or Director or to a member of a Director's or Officer's family, or if the Director or Officer otherwise has a direct or indirect interest in the transaction, as defined in ORS 65.361 (or its corresponding future provisions). All conflict-of-interest transactions shall be approved according to the following procedures:

(a) Conflict-of-interest transactions shall be approved by the full Board of Directors; they cannot be approved by the Chair, Executive Committee, Executive Director, or other staff even if those individuals or committees would normally approve the type of transaction at issue.

(b) Directors and Officers who have a conflict of interest in any matter shall:

- 1) declare the existence of the conflict of interest,
- 2) disclose on the record to the rest of the Board the details of their conflict and of the proposed transaction,
- 3) leave the room during any Board discussion of the transaction and not otherwise participate in that discussion, and
- 4) abstain from voting on that matter and leave the room where the vote is to take place until the votes have been counted. These steps shall be clearly reflected in the minutes to document that they were taken.

(c) The rest of the Board of Directors shall analyze the transaction and sufficient information to ensure that all transactions involving a conflict of interest are fair to the corporation and that no special benefits are being given to any person. The information relied upon by the Board of Directors, and its source, shall be recorded in the minutes.

(d) All conflict-of-interest transactions shall be approved by the affirmative vote of a majority of all of the members of the Board of Directors who do not have a conflict of interest involved in that issue. However, a transaction may not be authorized, approved, or ratified under this section by a single Director. If a majority of the Directors who have no direct or indirect interest in the transaction vote to authorize, approve, or ratify the transaction, a quorum is present for the purpose of taking action under this section.

ARTICLE 4: OFFICERS AND STAFF

4.1 Officers. The Officers of the corporation shall be a Chair, a Vice Chair, a Secretary, a Treasurer, and such other Officers as the Board of Directors shall from time to time appoint. The Officers shall be appointed by, and hold office at the pleasure of, the Board of Directors. The same individual may simultaneously hold more than one office, except that the offices of Chair, Secretary, and Treasurer may not be held simultaneously by the same individual. Officers shall serve simultaneously as members of the Board of Directors.

4.2 Term and Election. Officers will be elected for two-year terms by the Board of Directors. The Chair and Secretary positions shall be re-elected in even years and the Vice Chair and Treasurer positions shall be re-elected in odd years. Election of Officers shall be done as soon as possible following the election of Directors. However, unless they formally resign or are removed from office, Officers will remain in office until their successors are properly elected, designated, or appointed. There is no limit to the number of terms, successive or otherwise, an Officer may serve.

4.3 Removal. Any Officer may be removed, either with or without cause, at any time by a two-thirds vote of the Directors currently in office, not including the Director serving in the Officer position being considered for removal.

4.4 Resignation. An Officer may resign at any time by delivering notice to the Board of Directors, the Chair, or the Secretary. A resignation is effective when notice is received, unless the notice specifies a later effective date. Once delivered, a notice of resignation is irrevocable unless revocation is permitted by the Board of Directors. Disagreements as to when the notice was “received,” and thus effective, should be resolved by reference to ORS 65.034 (or its corresponding future provisions).

4.5 Vacancies. If a vacancy in an Officer position exists due to the death, resignation, or removal of any Officer or for any other reason, the remaining Directors may fill that position by a majority vote. The elected Officer will hold office for the unexpired term of that office.

4.6 Chair (President). The President, which shall be called “the Chair,” shall preside at meetings of the Board of Directors, shall assure that the Board of Directors is advised on all significant matters of the corporation’s business, shall act as a principal spokesperson and representative of the corporation, shall be the chief executive officer of the corporation and have the general powers and duties of management usually vested in a chief executive officer, and shall have such other powers and duties as may be prescribed by the Board of Directors or these Bylaws.

4.7 Vice Chair. The Vice Chair shall preside at meetings of the Board of Directors at which the Chair is absent and in the absence of the Chair shall have the other powers and perform the other duties of the Chair. The Vice Chair also shall have such other powers and perform such other duties as may be prescribed by the Board of Directors.

4.8 Secretary. The Secretary shall have responsibility for preparing minutes of meetings of the Board of Directors and for authenticating records of the corporation. The Secretary shall keep or cause to be kept, at the principal office or such other place as the Board of Directors may

order, a book of minutes of all meetings of Directors. In the absence of the Chair, the Secretary shall have the powers and perform the duties of the Vice Chair. The Secretary also shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these Bylaws.

4.9 Treasurer. The Treasurer shall be the chief financial officer of the corporation and shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the corporation. The Treasurer shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board of Directors, shall disburse or cause to be disbursed funds of the corporation as may be ordered by the Board of Directors, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these Bylaws. If required by the Board of Directors, the Treasurer shall give the corporation a bond in such amount and with such surety specified by the Board of Directors for the faithful performance of the duties of the Treasurer's office and for restoration to the corporation of all of its books, papers, vouchers, money, and other property of every kind in the Treasurer's possession or under the Treasurer's control on the Treasurer's death, resignation, retirement, or removal from office.

4.10 Executive Director. The Board of Directors may appoint or employ an Executive Director or other staff, whether paid or unpaid, to perform and conduct the programs and activities of the organization. The Board of Directors shall evaluate the performance of the Executive Director on an annual basis and the Executive Director shall serve at the pleasure of the Board. Unless the Board determines otherwise, the Executive Director will have the power, subject to the approval of the Board of Directors, to hire staff, establish staff duties and performance standards, evaluate the performance of staff, and when necessary terminate the employment of staff of the corporation. The Executive Director shall generally receive notice of all meetings of the Board of Directors and Executive Committee meetings, although failure to provide such notice does not make any meeting or action taken at such meeting invalid. The Executive Director shall ordinarily attend all Board meetings, except when the Board goes in to Executive Session to review the Executive Director's performance or discuss other matters related to their employment.

ARTICLE 5: COMMITTEES

5.1 Creation. The Board of Directors may establish any committee, including standing committees or temporary committees, Board committees, and advisory committees by a resolution of the Board, in accordance with the procedures stated below.

5.2 Board Committees. The Board of Directors may create one or more committees of the Board of Directors and appoint members of the Board to serve on them or designate the method of selecting committee members. Each committee shall consist of two or more Directors who serve at the pleasure of the Board of Directors. All members of Board Committees that have the authority to vote on matters before that committee shall serve simultaneously as members of the Board of Directors. The creation of a committee and the appointment of Directors to the committee or designation of a method of selecting committee members shall be approved by a majority of all Directors in office when the action is taken. The provisions of these Bylaws governing meetings—including action without meetings, notice and waiver of notice, quorum and voting requirements, and minute taking—shall apply to Board committees and their members as well. Committees may only exercise the authority granted to them by the full Board upon their creation, or as changed by the Board from time to time. Any actions outside of that authority shall be submitted to the Board

as a recommendation and approved by the Board to be binding. The Board may dissolve or revoke the powers of a committee at any time by action of the Board.

5.3 Limitation on Powers. No Committee may:

(a) Authorize distributions, provided that this restriction does not apply to payment of value for property received or services performed or payment of benefits in furtherance of the corporation's purposes;

(b) Approve or recommend dissolution, merger, or the sale, pledge, or transfer of all or substantially all of the corporation's assets;

(c) Elect, appoint, or remove Directors or fill vacancies on the Board or on any of its committees; or

(d) Adopt, amend, or repeal the Articles of Incorporation or Bylaws.

The Board of Directors shall always have the power to amend, alter, or repeal the decisions of committees, subject to limitations on the unilateral amending of contracts, interference with third party rights, and other legal limitations.

5.4 Committee Chairs. One member of each committee will be selected or appointed Committee Chair by the Board of Directors, or if the Board wishes, it may delegate that power to the Board Chair or to the members of the committee.

5.5 Advisory Committees. The Board of Directors may create one or more advisory committees. At least one Director shall be a member of any advisory committee, but the other committee members need not be Directors. These committees shall have no power to act on behalf of, or to exercise the authority of, the Board of Directors, but may make recommendations to the Board of Directors.

ARTICLE 6: GENERAL PROVISIONS

6.1 Statement of Nondiscrimination. The corporation shall not discriminate in providing services, hiring employees, or otherwise, upon the basis of gender, race, disability, marital status, sexual orientation, religion, color, age, disability, or national origin.

6.2 Inspection of Books and Records. All books, records, and accounts of the corporation shall be open to inspection by the Directors in the manner and to the extent required by law.

6.3 Checks, Drafts, Etc. All checks, drafts, and other orders for payment of money, notes, or other evidences of indebtedness issued in the name of or payable to the corporation shall be signed or endorsed by such person or persons and in such manner as shall be determined from time to time by resolution of the Board of Directors.

6.4 Deposits. All funds of the corporation not otherwise employed shall be deposited to the credit of the corporation in those banks, trust companies, or other depositories selected by the Board of Directors or be invested as authorized by the Board of Directors.

6.5 Loans or Guarantees. The corporation shall not borrow money and no evidence of indebtedness shall be issued in its name unless authorized by the Board of Directors. This authority may be general or confined to specific instances. Except as explicitly permitted by ORS 65.364 (or its corresponding future provisions), the corporation shall not make a loan, guarantee an obligation, or modify a pre-existing loan or guarantee to or for the benefit of a Director or Officer of the corporation.

6.6 Execution of Documents. The Board of Directors may, except as otherwise provided in these Bylaws, authorize any Officer or agent to enter into any contract or execute any instrument in the name of and on behalf of the corporation. Such authority may be general or confined to specific instances. Unless so authorized by the Board of Directors, no Officer, agent, or employee

shall have any power or authority to bind the corporation by any contract or engagement, or to pledge its credit, or to render it liable for any purpose or for any amount.

6.7 Insurance. The corporation may purchase and maintain insurance on behalf of any person who is made, or threatened to be made, a party to an action, suit, or other proceeding, by reason of the fact that the person is or was a Director, Officer, employee, volunteer, or agent of the corporation or a fiduciary within the meaning of the Employee Retirement Income Security Act of 1974 (or its corresponding future provisions) with respect to any employee benefit plan of the corporation; provided, however, that the corporation may not purchase or maintain such insurance to indemnify any Director, Officer, or agent of the corporation in connection with any proceeding charging improper personal benefit to the Director, Officer, or agent in which the Director, Officer, or agent was adjudged liable on the basis that personal benefit was improperly received by the Director, Officer, or agent.

6.8 Fiscal Year. The fiscal year of the corporation shall begin on the first day of July and end on the last day of June in each year.

6.9 Severability. A determination that any provision of these Bylaws is for any reason inapplicable, invalid, illegal, or otherwise ineffective shall not affect or invalidate any other provision of these Bylaws.

6.10 Limitation on Liability, Indemnification. No Director or uncompensated Officer shall be personally liable to the corporation for monetary damages for conduct as a Director or Officer, provided that this Article shall not eliminate or limit the liability of a Director or Officer for any act or omission for which such elimination of liability is not permitted under the Oregon Nonprofit Corporation Act. No amendment to the Oregon Nonprofit Corporation Act that further limits the acts or omissions for which elimination of liability is permitted shall affect the liability of a Director or Officer for any act or omission which occurs prior to the effective date of the amendment.

The corporation shall indemnify to the fullest extent permitted by, and in accordance with the provisions of, the Oregon Nonprofit Corporation Act and federal law any person who is made, or threatened to be made, a party to an action, suit, or proceeding, whether civil, criminal, administrative, investigative, or otherwise (including an action, suit, or proceeding by or in the right of the corporation), by reason of the fact that the person is or was a Director, Officer, employee, or agent of the corporation, provided, that in the event of a settlement, to the extent allowed by law, the Board of Directors shall approve the settlement in advance. The corporation shall pay for or reimburse the reasonable expenses incurred by any such person in any such proceeding in advance of the final disposition after the Board of Directors has taken such action as required by ORS 65.404 (or its corresponding future provision), including providing notice of the proposed indemnification to the Attorney General. No amendment to this Article that limits the corporation's obligation to indemnify any person shall have any effect on such obligation for any act or omission that occurs prior to the later of the effective date of the amendment or the date notice of the amendment is given to the person. This Article shall not be deemed exclusive of any other provisions for indemnification or advancement of expenses of Directors, Officers, employees, agents and fiduciaries that may be allowable under any statute, bylaw, agreement, or general or specific action of the Board of Directors.

ARTICLE 7: AMENDMENT

Any amendment to the Bylaws or Articles of Incorporation of this corporation shall be approved by two-thirds of the Directors in office at a properly called meeting with a quorum

present except as otherwise provided by law. Proper written notice shall be given in advance, including either a written copy of the proposed amendments or a written summary of those amendments and stating that the purpose, or one of the purposes, of the meeting is to consider a proposed amendment to the Bylaws or Articles of Incorporation.



CERTIFICATION

I, the undersigned Secretary of Destination Oregon City, Inc., hereby certify that the foregoing Bylaws were duly adopted by the Board of Directors of Destination Oregon City, Inc. on _____.

Signature: _____

Date: _____

Printed Name: _____

PROPOSED QUESTIONS FOR CANDIDATES FOR THE DMO'S BOARD OF DIRECTORS

The City Commission of the City of Oregon City has decided to establish a Destination Management Organization ("DMO") to help further the work and progress of establishing a coordinated tourism industry in Oregon City. Destination management is the coordinated and thoughtful planning of all elements that make up a tourism destination. This can involve anything from attracting visitors to providing amenities for them to enjoy during their stay in a community.

A DMO represents the voice of its destination to potential visitors. It works with travel trade partners to provide travelers with information about the destination before they decide where to go on vacation. DMOs bring together organizations that serve all aspects of the visitor experience – from lodging providers, attractions operators, restaurants, and retailers – so that they can share insights into what makes their community stand out as a tourist destination. It is usually comprised of a board of directors, an executive, and staff that provide marketing support to the tourism industry overall within the community.

1. Which sector would you be representing if appointed to the Board of Directors? (Choose only one)
 - a. Lodging
 - b. Retail
 - c. Craft Beverage
 - d. River-based
 - e. Restaurant
 - f. Outdoor Recreation
 - g. Historic Sites
 - h. Agritourism
2. Do you have financial interests or investments in the sector that you are representing?
3. Describe your experience in the tourism industry? How much of that experience was in Oregon City?
4. Why are you interested in serving on this board?
5. What do you think is necessary for a community to have a thriving tourism industry?

6. What do you think Oregon City's strengths are when it comes to promoting tourism?
What are its weaknesses?
7. The functions of a modern DMO go beyond marketing. What role do you see Destination Oregon City playing in the City's tourism industry?



CITY OF OREGON CITY

625 Center Street
Oregon City, OR 97045
503-657-0891

Staff Report

To: City Commission **Agenda Date:** December 18, 2024
From: James Graham, Economic Development Manager

SUBJECT:

Item 9.b. - Destination Management/Marketing Organization ("DMMO") Structure/Role

STAFF RECOMMENDATION:

Review and approve the purpose statement of the DMMO, the DMMO's Organizational Structure/Role and the Executive Director's Job Description.

EXECUTIVE SUMMARY:

The City Commission held its December 10th work session to review and discuss documents crafted to create a separate tourism-related entity referenced as a Destination Management/Marketing Organization. To aid in the discussion of the proposed DMMO two separate staff reports are being presented. The first staff report focused primarily on legal documentation. This second staff report will be dedicated to reviewing changes made to three documents relating to the DMMO's purpose and structure.

BACKGROUND:

During its December 10, 2024 work session, the City Commission reviewed and revised three documents relating to the organizational design and role of the proposed DMMO. This staff report will primarily focus on the DMMO's organizational design/role as well as the role of the executive director.

REVISED ORGANIZATIONAL DOCUMENTS

Included with this staff report are three revised documents relating to the DMMOs organizational structure/role:

- The Purpose Statement
- Organization Chart
- Job Description of the Executive Director

During its December 10, 2024 work session, the City Commission reviewed and revised three documents relating to the organizational design and role of the proposed DMMO. This staff report will primarily focus on the DMMO's organizational design/role as well as the role of the executive director.

REVISED ORGANIZATIONAL DOCUMENTS

Included with this staff report are three revised documents relating to the DMMOs organizational structure/role:

- The Purpose Statement
- Organization Chart
- Job Description of the Executive Director

CHANGE TO THE PURPOSE STATEMENT

The purpose statement includes the County among other partners. The acronym DMMO was included.

CHANGES TO THE ORGANIZATION CHART

- The word President has been deleted and replaced by the word Chair.

CHANGES TO THE JOB DESCRIPTION

- Listing of verbs have been changed to reflect the same tense.
- The word “beatification” has been changed to mean “beautification.”
- Under the title “Required Skills & Competencies,” the words “ability to” have been added in two places.

OPTIONS:

1. Review and approve the DMMO’s purpose statement, organization structure/role, and the executive director’s role.
2. Do not approve the DMMO’s purpose statement, organization structure/role, and the executive director’s role.

BUDGET IMPACT:

Amount	\$250,000 per biennium (FY 2025/2027)
Fiscal Year(s):	\$125,000 Seed Capital (FY 2023/2025)
Funding Source(s):	Transient Lodging Tax Revenue

Destination Oregon City: Purpose

Destination Oregon City is a Destination Management/Marketing Organization (~~DMO~~DMMO) established for the purposes of:

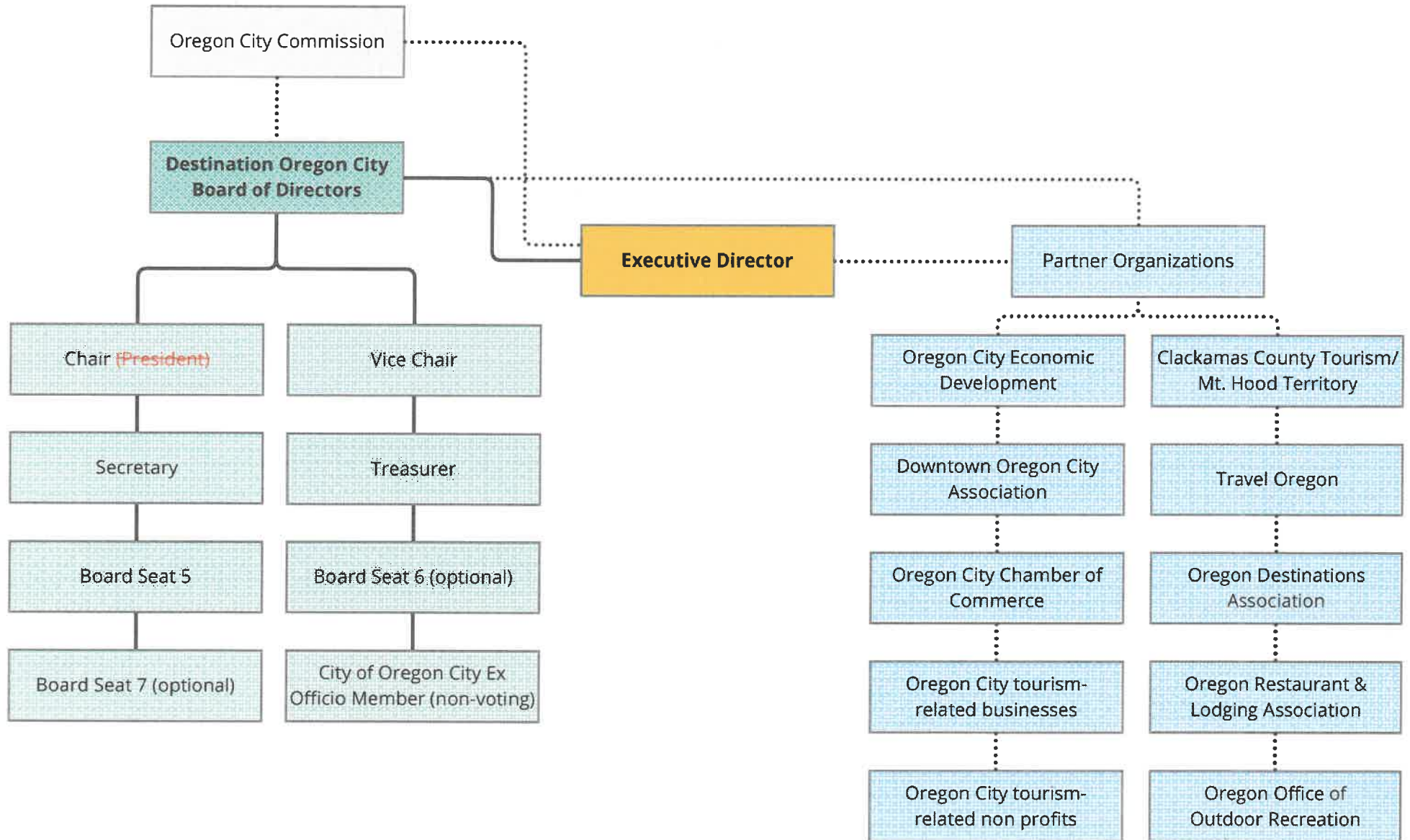
- Inspiring travel to Oregon City through the development of marketing, advertising, public relations, and sales programs that advance prosperity for local businesses and enhance quality of life in Oregon City
- Fostering a positive and consistent visitor experience in Oregon City through the coordination of local non-profit organizations, businesses, and events
- Partnering with county, regional and statewide tourism organizations to advance the interests of the visitor economy in Oregon City
- Partnering with the City of Oregon City's Economic Development Department, the Downtown Oregon City Association, The Oregon City Chamber of Commerce, and other business-focused organizations to generate mutually beneficial growth
- Advocating for the stewardship of Oregon City as a destination, to support a robust visitor economy balanced with the preservation and resilience of our tourism resources and assets
- Serving as a leader, convener, and educational resource for all facets of the visitor economy in Oregon City, fostering greater capacity, alignment, and collaboration

Destination Oregon City: Purpose

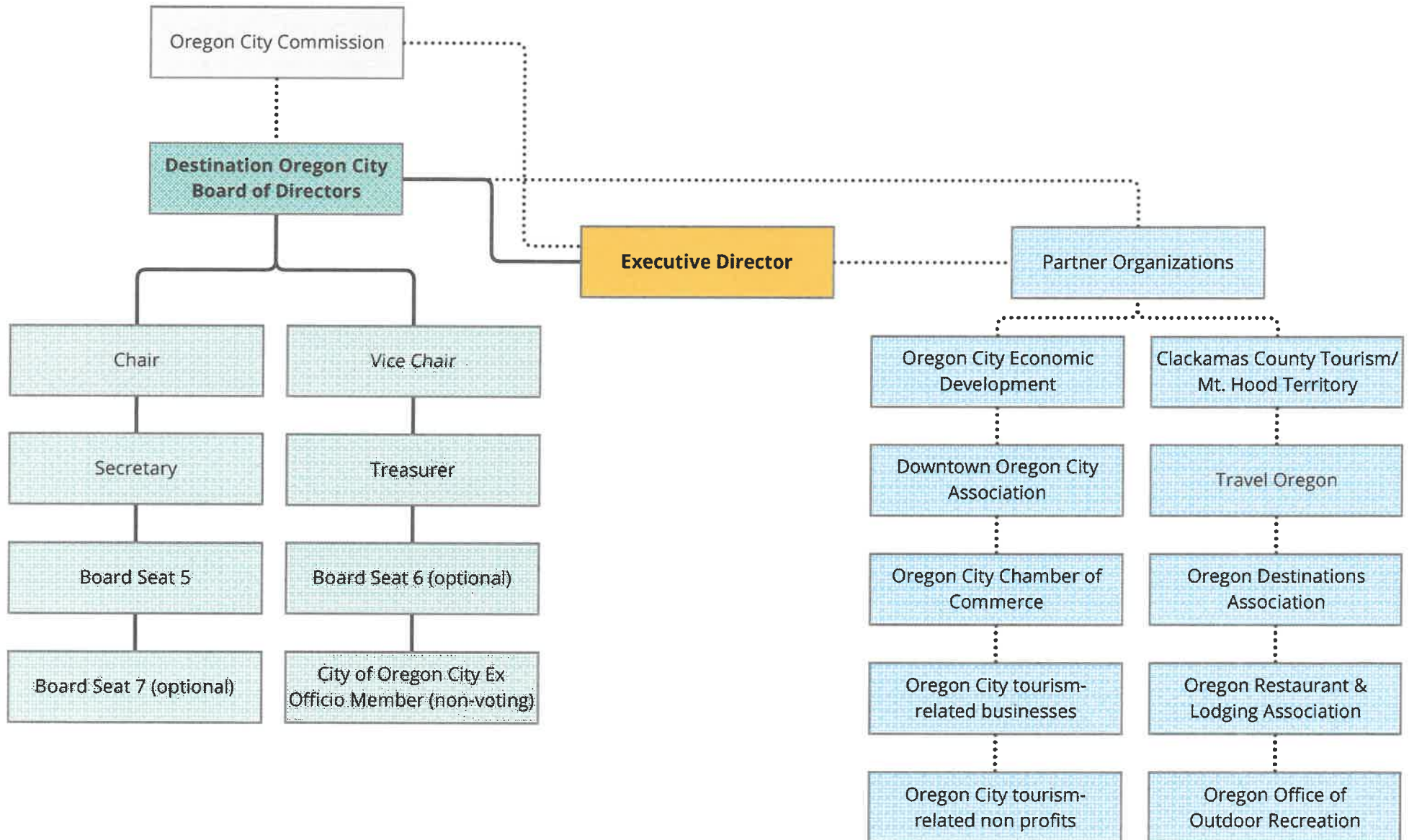
Destination Oregon City is a Destination Management/Marketing Organization (DMMO) established for the purposes of:

- Inspiring travel to Oregon City through the development of marketing, advertising, public relations, and sales programs that advance prosperity for local businesses and enhance quality of life in Oregon City
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- Partnering with county, regional and statewide tourism organizations to advance the interests of the visitor economy in Oregon City
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- Advocating for the stewardship of Oregon City as a destination, to support a robust visitor economy balanced with the preservation and resilience of our tourism resources and assets
- Serving as a leader, convener, and educational resource for all facets of the visitor economy in Oregon City, fostering greater capacity, alignment, and collaboration

Destination Oregon City Organizational Chart



Destination Oregon City Organizational Chart



Title: Executive Director, Destination Oregon City

Annual salary: \$XXX,XXX

Reports to: Destination Oregon City Board of Directors

Role Profile

The Executive Director is responsible for leading the promotion of Oregon City as a destination and guiding activities that drive visitation to the city. This role is responsible for developing an overall marketing strategy, managing the marketing budget, and managing outside marketing agencies. This role is also responsible for the management and stewardship of the destination, leading partners and fostering a consistent visitor experience and livability for residents. This is a full-time role, reporting to and serving at the pleasure of the Destination Oregon City Board of Directors. On occasion, evening and weekend work may be required, especially in relationship to visitor-facing events supported by the organization.

Core Responsibilities & Duties

- Oversee and implement the financial and legal responsibilities of Destination Oregon City as a 501(c)(6)
- Maintain contract between Destination Oregon City and the City of Oregon City
- Oversee and serve as an administrator for the Destination Oregon City Board of Directors, supporting efficient and effective governance of the organization
- Develop, implement, and evaluate ongoing effectiveness of marketing strategy
- Develop and manage annual marketing plan and budget for Destination Oregon City
- Oversee development and execution of digital marketing strategy, including paid and organic efforts
- Lead a website strategy promoting visitation to Oregon City; oversee updates and track analytics to ensure website effectiveness
- Oversee development of content calendar and content strategies for owned assets, including website, email, and social media platforms
- Oversee development of earned media efforts, including an editorial calendar and working with tourism partners in hosting visiting journalists and influencers
- Partner with Clackamas County Tourism, Downtown Oregon City Association, and the Oregon City Chamber of Commerce to recruit, develop, and promote key events
- Select and manage Destination Oregon City marketing contractors
- ~~Fostering-Foster~~ a positive and consistent visitor experience in Oregon City through the coordination of local non-profit organizations, businesses, and events
- ~~Advocating-Advocate~~ for the stewardship of Oregon City as a destination, to support a robust visitor economy balanced with the preservation and resilience of our tourism resources and assets
- ~~Serving-Serve~~ as a leader, convener, and educational resource for all facets of the visitor economy in Oregon City, fostering greater capacity, alignment, and collaboration
- ~~Advocating for stewardship of Oregon City as a destination, balancing the visitor economy with the preservation and resilience of tourism resources and assets~~
- Advocate for ~~beatification-beautification~~ and infrastructure that is supportive of the visitor economy in Oregon City

- Foster the strategic partnership with Clackamas County Tourism/Oregon's Mt. Hood Territory and Travel Oregon and align Destination Oregon City efforts with the regional marketing strategy
- Partner with the City of Oregon City's Economic Development Department to align with the economic development goals of the City
- Partner with Oregon Destinations Association and Oregon Restaurant & Lodging Association for industry advocacy on issues relevant to Oregon City
- Review data analytics and monthly reporting to ensure ongoing ROI of marketing efforts
- Prepare reporting on a regular cycle; present updates to Board of Directors and Oregon City Commission, as requested
- Preparation Prepare and subrnfssien-submiii of an Annual Report to Board of Directors and Oregon City City Commission
- Manage constituent and partner relationships
- In collaboration with Clackamas County Tourism, support overall group sales strategies
- Lead efforts to fundraise, including grant writing and non-profit development efforts
- Represent Destination Oregon City at appropriate industry events
- Perform other duties as required to support overall goals of Destination Oregon City

Required Skills & Competencies

- Demonstrated strength in management of marketing agencies
- Leadership experience with budget development, management, and tracking
- Demonstrated ability to understand and apply data analysis
- Demonstrated ability to develop marketing strategy and translate into a marketing plan and budget
- Demonstrated ability to launch and oversee digital marketing campaigns
- Demonstrated ability to build tourism industry partnerships
- Knowledge of Oregon City and its tourism assets
- Excellent verbal, written, and interpersonal communication skills
- Strong strategic thinking and forecasting capabilities
- Proficient in the use of Microsoft, Google applications, internet, and email
- Organizational and project management skills
- Innovation and creative problem-solving skills
- Crisis management and communications skills
- Ability to Champion-champion change and innovation to encourage diverse thoughts and contributions
- Ability to aApply business acumen and fiscal management to all decisions to achieve strong & measurable results

Title: Executive Director, Destination Oregon City**Annual salary: \$XXX,XXX****Reports to: Destination Oregon City Board of Directors****Role Profile**

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- Serve as a leader, convener, and educational resource for all facets of the visitor economy in Oregon City, fostering greater capacity, alignment, and collaboration
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- Prepare reporting on a regular cycle; present updates to Board of Directors and Oregon City Commission, as requested
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- Perform other duties as required to support overall goals of Destination Oregon City

Required Skills & Competencies

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- Demonstrated ability to build tourism industry partnerships
- Knowledge of Oregon City and its tourism assets
- Excellent verbal, written, and interpersonal communication skills
- Strong strategic thinking and forecasting capabilities
- Proficient in the use of Microsoft, Google applications, internet, and email
- Organizational and project management skills
- Innovation and creative problem-solving skills
- Crisis management and communications skills
- Ability to champion change and innovation to encourage diverse thoughts and contributions
- Ability to apply business acumen and fiscal management to all decisions to achieve strong & measurable results



CITY OF OREGON CITY

625 Center Street
Oregon City, OR 97045
503-657-0891

Staff Report

To:	City Commission	Agenda Date:	December 18, 2024
From:	Shaun Davis, Police Chief		

SUBJECT:

Item 9.c. - First Reading of Ordinance No. 25-1001, Adding Municipal Code Chapter 09.32 - Fireworks

STAFF RECOMMENDATION:

Approve the first reading of Ordinance 25-1001, adding new Municipal Code Chapter 09.32 - Fireworks

EXECUTIVE SUMMARY:

Through several work sessions, the City Commission provided direction to staff to draft a City Ordinance that would assist staff in enforcing the sale and use of illegal fireworks within the City and allow the City Commission to temporarily ban the use and sale of fireworks and open burning within the City limits in the event the Fire Chief or Fire Marshall issues an order for extreme fire risk.

BACKGROUND:

During the September 9, 2024, Commission Work Session, and at the request of the Commission, Chief Davis presented Fireworks Ordinances from neighboring jurisdictions for the Commission to review. He and Clackamas Fire District #1 Assistant Fire Chief Brian Stewart were available for questions. City Commission requested more information.

During the October 2, 2024 Commission meeting, the commission had further discussion on fireworks and provided direction to staff to draft city ordinance(s) that would allow staff to enforce illegal fireworks within the City and allow the City Commission to temporarily ban the use and sale of fireworks in the event the Fire Chief or Fire Marshall issues an order for extreme fire risk.

During the November 6, 2024 Commission meeting, Chief Davis presented two new draft City Ordinances:

Fireworks prohibited – Civil Penalty

Temporary Prohibition of Use and Sales of Fireworks during Extreme Fire Risk

Clackamas Fire District #1's Fire Marshall and our City Attorney provided feedback and their recommendations were incorporated in the proposed drafts.

OCPEA e-board was present for the meeting and provided comment to the Commission and answered questions. OCPEA e-board had not reviewed the draft ordinances. Commission provided direction to staff to meet with the OCPEA e-board for their input.

Chief Davis has met with OCPEA President and he was in support of the drafted Ordinances. Through discussions it was mutually agreed upon to add in additional language regarding open burning to give the Commission the authority to implement a temporary prohibition of open burning during a declaration of extreme fire risk as noted in section 3(b)(ii) and 4(a)(ii) in proposed ordinance 09.32.030.

OPTIONS:

1. Approve First Reading of Ordinance No. 25-1001, Adding Municipal Code Chapter 09.32 - Fireworks.
2. Approve First Reading of Ordinance No. 25-1001, Adding Municipal Code Chapter 09.32 - Fireworks with Amendments.
3. Deny First Reading of Ordinance No. 25-1001, Adding Municipal Code Chapter 09.32 - Fireworks and provide further direction.

BUDGET IMPACT:

Amount \$

Fiscal Year(s):

Funding Source(s):

ORDINANCE NO. 25-1001

AN ORDINANCE OF THE CITY OF OREGON CITY REVISING THE CITY CODE
BY ADDING MUNICIPAL CODE CHAPTER 9.32 – FIREWORKS

WHEREAS, the citizens of Oregon City value a safe a livable community; and

WHEREAS, the use of illegal fireworks has a negative impact on veterans and other community member, as well as pets in our homes and wildlife in our parks and natural areas; and

WHEREAS, the City has the ability and authority to regulate certain activities likely to cause loss of life, damage to property and the urban tree canopy from fire during periods of extreme fire; and

WHEREAS, the Commission believes it necessary, appropriate, and in furtherance of the public's health, safety, and welfare to enact a temporary prohibition of fireworks and open burning within the City limits during times of extreme fire risk; and

WHEREAS, the Commission believes it is necessary to enact municipal regulation thereby allowing staff the ability to enforce the unlawful selling, possession, or use of illegal fireworks and enforce extreme fire regulations in municipal court and to afford the municipal court the ability to impose civil penalties.

NOW, THEREFORE, OREGON CITY ORDAINS AS FOLLOWS:

Section 1. The Oregon City Municipal Code is hereby amended to include Chapter 9.32 attached as Exhibit A to this ordinance

Read for the first time at a regular meeting of the City Commission held on the 18th day of December 2024, and the City Commission finally enacted the foregoing ordinance this 7th day of January 2025.

DENYSE C. MCGRUFF
Mayor

Attested to this day of ,

Approved as to legal sufficiency:

Jakob Wiley, City Recorder

City Attorney

09.32 - Fireworks

09.32.020 Fireworks prohibited—Civil penalty.

A. Unless otherwise permitted by the terms of ORS 480.120 through ORS 480.124 (2008), it is unlawful for any person to sell, offer for sale, expose for sale, possess, use, explode, or have exploded any fireworks.

B. As used in this chapter, the term “fireworks” has the meaning defined in ORS 480.111.

C. The City may confiscate, destroy, remove, or have removed at the owner’s expense all stocks of fireworks in violation of this chapter, when necessary to preserve public safety.

D. Any person found to have violated the prohibitions set out in subsection A is subject to a civil penalty of up to three hundred (\$300) per violation, and is enforceable pursuant to OCMC 1.20.

09.32.030 Temporary Prohibition of Use and Sales of Fireworks During Extreme Fire Risk.

1. Purpose: To reduce the risk of loss of life and damage to property from fire during periods of extreme fire risk in the City of Oregon City.

2. Definitions. As used in this section:

a. Fire Chief/Fire Marshal: means the appointed Fire Chief or Fire Marshal of the Clackamas Fire District #1.

b. Person: means an individual or a business entity; for the purpose of this definition, “business entity” means a corporation, association, partnership, limited liability company, limited liability partnership, or other legal entity.

c. Seller: means any person that sells, or offers for sale, or exposes for sale fireworks within the City of Oregon City for retail or wholesale purposes, including persons required to obtain permits for fireworks sales or permits under ORS [480.150](#).

3. Analysis of Fire Danger; Authority to Issue Order.

a. The Fire Chief or Fire Marshal shall, at such times as deemed appropriate for fire risk, use reasonably available sources of information, e.g., National Weather Service and Oregon Department of Forestry District 13 reporting and modeling based on the National Fire Danger Rating (NFDR) System, to make a judgment based on forecasted temperature, wind, relative humidity, fuel loads, and topography of current or predicted

conditions as to the level of fire danger within the City, including external fire sources and the risk of fire ignition and spread from any source within the City.

b. If, in the Fire Chief's or Fire Marshal's judgment, the fire risk is extreme under the NFDR classification (fires start quickly, spread furiously, and burn intensely; and fires are potentially serious), and the Fire Chief or Fire Marshal issues an order of extreme fire risk, the City Commission may issue an order under section (4) of this section temporarily prohibiting some or all of the following:

i. The use and sale of fireworks;

ii. Any open burning including, but not limited to, bonfires, recreational fires and outdoor fireplaces;

4. Temporary Prohibition of the Use and Sale of Fireworks.

a. Upon issuance of a written order by the City Commission pursuant to this section, no person shall, as relevant to the prohibition under subsection (3)(b) of this section:

i. Sell, or offer for sale, expose for sale, use, explode or have exploded fireworks;

ii. Cause, permit or suffer any open burning;

within Oregon City during the period of time stated in the order, except either in accordance with the terms of the order or the person has been issued a written exemption by the Fire Chief or Fire Marshal and the person's use conforms to the terms of the exemption.

b. The order shall:

i. If less than the entirety of the area within the City boundaries is to be subject to the order, identify the area(s) that are subject to the order;

ii. If the prohibition is to be less than 24 hours a day, state the time period prohibited by the order;

iii. If the prohibition is to apply to only certain classifications of fireworks, identify the classifications of fireworks subject to the order;

iv. If the prohibition is to apply to only certain types of activities under subsection (4)(a) of this section, identify the prohibited activities; and

v. Identify those persons who, without a written exemption issued by the Fire Chief or Fire Marshal, are exempt from the order. Unless specifically stated in the order, the

order supersedes any previously issued general permit, such as a permit to sell fireworks or to conduct open burning.

c. The Fire Chief or Fire Marshal may issue written exceptions to persons that, in the Fire Chief's or Fire Marshal's determination, the person will conduct sales or use of fireworks, or conduct other activities prohibited by the order in a manner that will meet the purposes of this section and will not likely cause other persons to reasonably believe that the order is terminated.

d. The order may be revised, extended or terminated in the same manner as its issuance.

5. Notice of Order. The City shall cause notice of the order to be given to the public and sellers by:

a. Posting a copy of the order in a place visible in City Hall and Library;

b. For orders that prohibit the sale or use of fireworks, mailing to each seller that has a permit from the City for the retail sale of consumer fireworks, as defined by ORS [480.111](#), at such mailing address provided on the seller's application to sell consumer fireworks. The City may, in lieu of mailing, either:

i. Email a copy of the order to the seller's email address on the seller's application to sell consumer fireworks, or to such other electronic mail delivery that is reasonably calculated to notify the seller; or

ii. Personally deliver a copy of the order to a person that is apparently in charge of the sale of consumer fireworks at the seller's locations approved for the sale of consumer fireworks.

c. Such other means as the City may find provides public notice, e.g., to the local media, City website, social media.

6. Penalties. A violation of any provision of subsection (4) or any order issued under this section is a civil violation and shall be enforced pursuant to the provisions of OCMC 1.20. Each sale or use of a firework shall constitute a separate violation.



CITY OF OREGON CITY

625 Center Street
Oregon City, OR 97045
503-657-0891

Staff Report

To: City Commission **Agenda Date:** December 18, 2024
From: Tony Konkol, City Manager

SUBJECT:

Item 9.d. - Discussion Related to the Expansion of the Commercial Boat Tie-Up at Jon Storm Park

STAFF RECOMMENDATION:

Authorize the City Manager to begin discussions with Oregon State Marine Board (OSMB) and Oregon Department of State Lands (DSL) about the possibility and process of converting a portion of the recreational usage area of Jon Storm Dock to increase the existing commercial usage area.

Authorize the City Manager to begin discussions with structural engineering firms regarding a scope of work to evaluate the Jon Storm Dock for structural issues related to this planned commercial usage and in response to comments from the regulatory agencies.

EXECUTIVE SUMMARY:

There has been discussion about the possibility of expanding the area that commercial vessels may utilize at Jon Storm Dock as a tie-up location for potential tourism-related activities, such as tours and river cruises. There are several licenses, lease agreements, and grant agreements that govern the usage at Jon Storm Dock. The dock currently has 60 feet set aside for commercial usage, as outlined in a lease agreement with the Department of State Lands. Requests have been made to allow vessels larger than 60 feet to utilize the Jon Storm Dock for commercial activity. The dock was engineered to accommodate a 60-foot long, 40-ton vessel. Any commercial usage above that capacity may require a structural analysis of the dock to ensure continued safe operation.

BACKGROUND:

The Jon Storm Dock was originally constructed in 2004 and 2005, respectively, using a mix of state and federal grant funds, funds from Oregon City, and funds from the Columbia River Yachting Association. The City entered into a Facility Grant Cooperative Agreement with the Oregon State Marine Board to facilitate construction of a transient tie-up dock and pumpout/dump station. The term of this agreement was 20 years from the effective date of July 8, 2003. This agreement required the City to provide "open and unencumbered public access to the Project to all persons..." (Facility Grant Cooperative Agreement #1204 – Section 4 *Public Access to the Project*). Since a portion of the funds under this agreement were provided from US Fish and Wildlife Service, there is an additional assurance applicable to construction, land acquisition, or land development. This section reads as follows:

"(The applicant) will not dispose of, modify the use of, or change the terms of the real property title, or other interest in the site and facilities without permission and instructions from the awarding agency..."

Since the dock utilizes waters of the state, the City also has a license agreement with the

Oregon Department of State Lands (DSL) for use of the land underneath the dock. This license agreement covers the entirety of the dock and the connecting gangway. The agreement grants the City a license “for the specific purpose of a public use boat dock with [Clean Vessel Act] vessel waste disposal system for public use.” It also states that it would be a default of the license for “Licensee [i.e., the City] charging the public for use of the Licensed Premises.”

Under the terms of this agreement, the City is also prohibited from assigning or subletting the license.

A 60-foot section of the dock has been designated for commercial usage through a lease agreement with DSL. This lease is specifically for commercial marina/moorage for four boat tie-ups. The City pays an annual fee for this lease that is commensurate with the size of the commercial section.

After construction was completed, the City has typically applied for a Maintenance Assistance Grant with OSMB. These funds are intended to help cover ongoing maintenance needs for docks and boat ramps. Section 5.1.6 of the current Maintenance Assistance Grant Agreement prohibits the City from using [the Dock] to support or accommodate commercial or non-recreational boating uses or activities.” Commercial use for the terms of this agreement is defined as “any activity on or affecting [the Dock]...” that allows third parties to charge any fees. This agreement is currently active through June 30, 2025 and the City is under no obligation to apply for a new Maintenance Assistance Grant.

If the Commission would like to pursue additional commercial usage at Jon Storm Dock, next steps would likely include the following:

1. Identify the requested change in usage and develop a proposal for review by state and federal stakeholders.
2. Meet with state and federal stakeholders to discuss the proposed change in usage and any applicable changes to current licenses, leases, or agreements.
3. Review any license/lease/agreement changes with City Commission and negotiate new agreements as needed.

The dock likely also requires an analysis of its structural integrity before commercial activities outside of the designed specifications are allowable. An analysis of the dock was recently prepared by a third party on behalf of the City. However, Oregon State Marine Board reviewed this analysis and identified some issues that would need to be addressed before the proposed commercial use could be deemed safe. These issues are summarized below:

1. Water level trends used in the analysis are not ordinary low water levels or flow. Structural loading should be evaluated for current water trends.
2. It was unclear if impact loading of the identified vessel was evaluated when docking. There were no design criteria for vessel height or draft and it is unclear whether those criteria were included in the structural loading evaluation.
3. The analysis did not include details on how the identified vessel will tie-secure to the dock and if those points of connection were structurally evaluated.
4. There was no evaluation for dock or gangway loading associated with passenger capacity of the identified vessel.
5. It does not appear the dock was evaluated for remaining useful life with current use and accelerated reduction in useful life of the structures with two 90-foot long

commercial vessels using the facility for the identified six-month period of May-October.

Staff propose contracting with a structural engineering firm to execute a scope of work that evaluates the current and proposed condition of the dock. The goal of this work will be to determine if the dock can support the proposed commercial activities as-is or if additional work will be needed to reinforce the dock. An inspection from Oregon State Marine Board also identified areas of wear and tear that would need to be inspected by an underwater dive team as part of the structural analysis report.

OPTIONS:

1. Authorize the City Manager to begin discussions with the regulatory agencies and engage with a consultant to perform a structure analysis of Jon Storm dock.
2. Authorize the City Manager to begin discussions with the regulatory agencies and engage with a consultant to perform a structure analysis of Jon Storm dock with Amendments.
3. Deny the proposals and provide further direction.

BUDGET IMPACT:

Amount	\$35,000 - \$50,000 (estimate)
Fiscal Year(s):	2023-2025
Funding Source(s):	General Fund



CITY OF OREGON CITY

625 Center Street
Oregon City, OR 97045
503-657-0891

Staff Report

To: City Commission **Agenda Date:** December 18, 2024
From: Patrick Foiles, Human Resources Director

SUBJECT:

Item 9.e. - Discussion of the City Manager's Salary Adjustment and Merit Pay for Performance

STAFF RECOMMENDATION:

N/A

EXECUTIVE SUMMARY:

The City Manager's evaluation was conducted in executive session on December 10, 2024. The City Manager's employment agreement notes, based on that review, the City Commission may consider salary adjustments and/or a merit payment or other changes to the employment agreement. The Commission requested an opportunity to consider those actions during the next available Commission Meeting. The City budgets up to 3% for a salary increase and up to 3% for a merit payment.

The City Manager requests that the City Commission consider increasing the financial security benefit in section 13 of his employment agreement from 6 months to 12 months.

BACKGROUND:

NA

OPTIONS:

1. Make a motion to increase the City Manager's base salary by a percentage of current base salary.
2. Make a motion to grant the City Manager a one-time merit payment based on a percentage of current annual salary.
3. Make a motion to increase the financial security benefit in section 13 of his employment agreement from 6 months to 12 months.
4. Make an alternative motion.
5. Take no action.

BUDGET IMPACT:

Amount Merit Payment: 0% (\$0.00) - 3% (\$5,785.20)
Base Salary Increase: 0% (\$0.00) - 3% (\$5,785.20)
Fiscal Year(s): 2024-2025
Funding Source(s): Multiple



CITY OF OREGON CITY

625 Center Street
Oregon City, OR 97045
503-657-0891

Staff Report

To: City Commission **Agenda Date:** December 18, 2024
From: Jakob Wiley, City Recorder

SUBJECT:

Item 9.f. - Second Reading of Ordinance No. 24-1016, Codifying the Ban on Psilocybin Businesses

STAFF RECOMMENDATION:

Staff recommends approval of Ordinance 24-1016, codifying the ban on psilocybin businesses in the City of Oregon City.

EXECUTIVE SUMMARY:

The ban on psilocybin businesses was approved by Oregon City voters during the November 5, 2024 general election (pending official results). While the ban is in effect, it does not appear in the Municipal Code. Staff recommends approving Ordinance 24-1016 to codify the ban and include it in the Municipal Code.

BACKGROUND:

ORS 475A.718 provides that a city governing body may adopt an ordinance to be referred to the electors of the city prohibiting the establishment of state licensed psilocybin product manufacturers and/or psilocybin service centers in the area subject to the jurisdiction of the city.

On October 18, 2023, the City Commission approved the second reading of Ordinance 23-1009 which declared a ban on psilocybin service centers and manufacturing of psilocybin within Oregon City. Oregon City voters ratified the ban during the November 5, 2024 general election under Ballot Measure 3-611 in Clackamas County.

While not required by ORS 475A, staff recommends placing this ban in the Municipal Code to ensure public awareness of the policy and to simplify future references to the ban. The addition of Chapter 5.34 under Ordinance 24-1016 will not change the ban that is currently in effect.

OPTIONS:

1. Approve Second Reading of Ordinance No. 24-1016, Codifying the Ban on Psilocybin Businesses.
2. Approve Second Reading of Ordinance No. 24-1016, Codifying the Ban on Psilocybin Businesses with Amendments.
3. Deny Second Reading of Ordinance No. 24-1016, Codifying the Ban on Psilocybin Businesses and provide further direction.

BUDGET IMPACT:

N/A

ORDINANCE NO. 24-1016

AN ORDINANCE OF THE CITY OF OREGON CITY CODIFYING THE BAN ON PSILOCYBIN BUSINESSES

WHEREAS, ORS 475A.718 provides that a city governing body may adopt an ordinance to be referred to the electors of the city prohibiting the establishment of state licensed psilocybin product manufacturers and/or psilocybin service centers in the area subject to the jurisdiction of the city; and

WHEREAS, On October 18, 2023, the City Commission approved the second reading of Ordinance 23-1009 which declared a ban on psilocybin service centers and manufacturing of psilocybin within Oregon City, and

WHEREAS, The ban on psilocybin in Oregon City has been in effect pending the ratification process identified in ORS 475A.718, and

WHEREAS, Oregon City voters ratified the ban during the November 5, 2024 general election under Ballot Measure 3-611 in Clackamas County; and

WHEREAS, To provide greater public awareness of the ban, it should be included in the Oregon City Municipal Code.

NOW, THEREFORE, OREGON CITY ORDAINS AS FOLLOWS:

Section 1. Oregon City adopts the following additions to the Oregon City Municipal Code:

Chapter 5.34 – Psilocybin Businesses

Chapter 5.34.010 – Authority to Ban Psilocybin Businesses

ORS 475A.718 authorizes cities to prohibit the establishment of “[p]silocybin product manufacturers” and “[p]silocybin service center operators” within the city’s jurisdiction and requires the voter’s approval at the next general election. The Oregon City City Commission adopted Ordinance No. 23-1009 on October 18, 2023, which prohibited these types of businesses in Oregon City pending voter approval. At the November 5, 2024 general election, Oregon City voters approved Ballot Measure 3-611, which resulted in the permanent ban on psilocybin businesses.

Chapter 5.34.020 –Psilocybin Businesses Prohibited

Psilocybin product manufacturers and psilocybin service centers are prohibited in the City of Oregon City.

Section 2. The current ban on psilocybin-related businesses remains in effect and is unchanged by the adoption of this ordinance. This ordinance does not alter the existing ban on these kinds of businesses authorized by Ordinance No. 23-1009.

Read for the first time at a regular meeting of the City Commission held on the 4th day of December 2024, and the City Commission finally enacted the foregoing ordinance this 18th day of December 2024.

DENYSE C. MCGRUFF
Mayor

Attested to this 18th day of December 2024,

Approved as to legal sufficiency:

Jakob Wiley, City Recorder

City Attorney



CITY OF OREGON CITY

625 Center Street
Oregon City, OR 97045
503-657-0891

Staff Report

To: City Commission **Agenda Date:** December 18, 2024
From: Matt Zook, Finance Director

SUBJECT:

Item a. -

Annual Comprehensive Financial Report for the Fiscal Year ending June 30, 2024

STAFF RECOMMENDATION:

No action requested, information only.

EXECUTIVE SUMMARY:

Attached is the Annual Comprehensive Financial Report (ACFR) for Oregon City for the fiscal year ended June 30, 2024. The ACFR can also be found on the City website at the following URL - www.orcity.org/DocumentCenter/Index/960. In addition, there is a letter from the audit firm, Aldrich CPAs + Advisors LLP, to the Commission that is required by the firm's auditing standards. Included in the report is the result of the independent financial audit performed by Aldrich. The auditors issued an unmodified or "clean" opinion. That means that the financial statements present fairly, in all material respects, the financial position and activities of the City for the year. The attached report has been submitted to the Secretary of State in accordance with municipal audit law. The June 30, 2023 ACFR qualified for the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting. We believe the 2024 ACFR conforms to the requirements of the award program as well and will submit it to GFOA for consideration.

BACKGROUND:

OPTIONS:

BUDGET IMPACT:

Amount \$0
Fiscal Year(s): 2023-24
Funding Source(s): N/A

City of Oregon City

REPORT TO THE CITY COMMISSION

Year Ended June 30, 2024



CITY OF OREGON CITY
Report to the City Commission
Year Ended June 30, 2024

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To assist you in your responsibilities as a member of the City Commission, this section summarizes the most significant conclusions reached and issues addressed during our audit of the City of Oregon City for the year ended June 30, 2024.

SIGNIFICANT CONCLUSIONS AND ISSUES

We have completed our audit and issued our report, dated December 3, 2024. Based on our work performed:

- Our audit scope was in accordance with that communicated in our engagement letter for the year ended June 30, 2024.
- We rendered an unmodified opinion on the June 30, 2024, financial statements for the City of Oregon City.
- We identified no material weaknesses or significant deficiencies in internal controls.
- We performed tests of compliance with the Minimum Standards for Audits of Oregon Municipal Corporations and one instance of noncompliance was reported:
 - One contract was entered into in fiscal year 2024 for which the City did not appropriately follow competitive bid requirements as outlined in ORS 279.

We received the full cooperation of management and staff throughout the audit and were kept informed as to developments and plans affecting our audit scope.

The following report includes required communications and additional information for the benefit of the City Commission.

December 3, 2024

To the Honorable Mayor and City Commissioners
City of Oregon City
Oregon City, Oregon

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Oregon City (the City) for the year ended June 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated September 26, 2024. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. As described in the notes to the financial statements, the City changed accounting policies related to accounting changes and error corrections by adopting Governmental Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections* in fiscal year 2024. We noted no transactions entered into by City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the City's financial statements were:

Management's estimate of the net pension liability and related deferred outflows and deferred inflows related to the City's participation in the Oregon Public Employees Retirement System is based on an actuarial valuation prepared by Milliman as of December 31, 2021, and rolled forward to June 30, 2023. We evaluated the key factors and assumptions used to develop the net pension liability and related deferred outflows and deferred inflows in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the net OPEB asset and related deferred outflows and deferred inflows related to the City's participation in the Oregon Public Employees Retirement System is based on an actuarial valuation prepared by Milliman as of December 31, 2021, and rolled forward to June 30, 2023. We evaluated the key factors and assumptions used to develop the net pension liability and related deferred outflows and deferred inflows in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the OPEB liability and related deferred outflows and deferred inflows related to the City's implicit rate subsidy plan is based on an actuarial valuation prepared by Milliman as of July 1, 2022, and rolled forward to June 30, 2023. We evaluated the key factors and assumptions used to develop the net pension liability and related deferred outflows and deferred inflows in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of depreciation expense is based on the City's estimated useful lives of capital assets. We evaluated the key factors and assumptions used to develop the estimated useful lives and current year depreciation expense in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure of cash and cash equivalents in Note 2A to the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. No such misstatements were identified. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have received certain representations from management that are included in the management representation letter dated December 3, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis, schedule of the proportionate share of the net pension liability, schedule of contributions, schedule of proportionate share of the net OPEB liability – RHIA, schedule of contributions – RHIA, schedule of changes in total OPEB liability and related ratios, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We subjected the General and Major Special Revenue Fund budgetary comparison schedules, as listed in the table of contents under required supplementary information, to auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

We were engaged to report on the combining financial statements, individual fund schedules, and other financial schedules which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory or statistical sections, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the information and use of the Mayor and City Commissioners and management of the City of Oregon City and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Aldrich CPAs + Advisors LLP

December 3, 2024

Aldrich CPAs + Advisors, LLP
5665 Meadows Rd #200
Lake Oswego, OR 97035

This representation letter is provided in connection with your audit of the financial statements of the City of Oregon City (the City), which comprise the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the disclosures (collectively, the "financial statements"), for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated June 28, 2024, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) The methods, significant assumptions, and data used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in accordance with U.S. GAAP.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 8) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 9) Guarantees, whether written or oral, under which the City is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

10) We have provided you with:

- a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
- b) Additional information that you have requested from us for the purpose of the audit.
- c) Unrestricted access to persons within the City from whom you determined it necessary to obtain audit evidence.
- d) Minutes of the meetings of the City Commissioners or summaries of actions of recent meetings for which minutes have not yet been prepared.

11) All material transactions have been recorded in the accounting records and are reflected in the financial statements.

12) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

13) We have no knowledge of any fraud or suspected fraud that affects the City and involves—

- Management,
- Employees who have significant roles in internal control, or
- Others where the fraud could have a material effect on the financial statements.

14) We have no knowledge of any allegations of fraud or suspected fraud affecting the City's financial statements communicated by employees, former employees, regulators, or others.

15) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.

16) We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements.

17) We have disclosed to you the names of the City's related parties and all the related party relationships and transactions, including any side agreements.

Government-specific

18) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

19) We have taken timely and appropriate steps to remedy identified and suspected fraud or noncompliance with provisions of laws, regulations, contracts, and grant agreements that you have reported to us.

20) We have a process to track the status of audit findings and recommendations.

21) We have identified to you any previous audits, attestation engagements, and other studies related to the objectives of the audit and whether related recommendations have been implemented.

22) We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.

23) We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.

24) The City has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.

25) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.

26) We have appropriately identified, recorded and disclosed all leases in accordance with GASB 87.

27) We have appropriately identified, recorded and disclosed subscription-based information technology arrangements in accordance with GASB 96.

- 28) We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the financial statements.
- 29) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 30) The City has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 31) The City has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 32) The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 33) The financial statements include all fiduciary activities required by [GASBS No. 84](#) , as amended.
- 34) The financial statements properly classify all funds and activities in accordance with [GASBS No. 34](#) , as amended.
- 35) All funds that meet the quantitative criteria in [GASBS Nos. 34](#) and [37](#) for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 36) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 37) Investments, derivative instrument transactions, and land and other real estate held by endowments are properly valued.
- 38) Provisions for uncollectible receivables have been properly identified and recorded.
- 39) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 40) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 41) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 42) Deposits and investment securities and derivative instrument transactions are properly classified as to risk and are properly disclosed.
- 43) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
- 44) We have appropriately disclosed the City's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 45) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 46) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 47) With respect to the combining statements, individual fund schedules and other financial schedules:
 - a) We acknowledge our responsibility for presenting the combining statements, individual fund schedules and other financial schedules in accordance with accounting principles generally accepted in the United States of America, and we believe the combining statements, individual fund schedules and other financial schedules, including their form and content, are fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the combining statements, individual fund schedules and other financial schedules have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

- b) If the combining statements, individual fund schedules and other financial schedules are not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

48) With respect to the introductory and statistical sections (other information):

- a) We acknowledge that we have informed you of all documents that may comprise other information we expect to issue. The financial statements and other information you obtained prior to the auditor's report date are consistent with one another, and the other information does not contain any material misstatements.
- b) With regard to the other information that will be included in the annual report that has not been obtained by you prior to the auditor's report date, we intend to prepare and issue the other information, as well as communicate the expected timing of issuance, and provide you with the final version of the document(s) when available and prior to the issuance of the annual report.



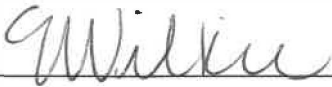
Signature

Finance Director

Title

December 3, 2024

Date



Signature

Deputy Finance Director

Title

December 3, 2024

Date



OREGON CITY



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDING JUNE 30, 2024
City of Oregon City, Oregon

The cover photograph is courtesy of Jarrod Lyman, Communications Manager.

CITY OF OREGON CITY, OREGON
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2024

Prepared by

City of Oregon City
Finance Department

Available at: www.orcity.org



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INTRODUCTORY SECTION





December 3, 2024

Honorable Mayor, Members of the City Commission
and Citizens of the City of Oregon City, Oregon

We are pleased to submit the Annual Comprehensive Financial Report of the City of Oregon City (the City) for the fiscal year ended June 30, 2024.

State statutes require that the City issue a complete set of audited financial statements within six months of the close of each fiscal year. The statements must be presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited by a firm of licensed certified public accountants in accordance with auditing standards generally accepted in the United States of America. This report meets statutory requirements as well as standards prescribed by the Oregon Secretary of State.

We believe the report is accurate in all material respects and presented in a manner designed to fairly set forth the financial position and results of operations of the City. Management assumes full responsibility for the completeness and reliability of the information contained in the report based upon a comprehensive framework of internal control that has been established for that purpose. The internal control structure has been designed to provide reasonable, but not absolute, assurance that assets are safeguarded against loss or unauthorized use, and that financial records can be relied upon to produce financial statements that are fairly presented. The concept of reasonable assurance recognizes that the cost of maintaining the control structure should not exceed the benefits likely to be derived and that the evaluation of cost and benefits requires estimates and judgments by management.

Aldrich CPAs + Advisors LLP, a firm of independent certified public accountants, audited the City's financial statements and issued an unmodified or "clean" opinion on the financial statements for the fiscal year ended June 30, 2024. The independent auditor's report is presented at the front of the Financial Section of the report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complements this transmittal letter and should be read in conjunction with it.

PROFILE OF THE CITY

Oregon City is the first city incorporated in the United States west of the Missouri River and is located 13 miles south of Portland, Oregon at the confluence of the Willamette and Clackamas Rivers. The City was established in 1829 and incorporated in 1844, becoming the capital of the Oregon Territory in 1894. Oregon City is home to shopping areas, recreational opportunities, businesses, a wide variety of historical and cultural attractions, and several interpretive centers and museums dedicated to celebrating the pioneer spirit. It currently encompasses 10.27 square miles and has an estimated population of 38,049.

The City operates under the provisions of its own charter and applicable state laws with a council-manager form of government. The elected officials consist of the Mayor and four Commissioners. All positions have term limits, and no person may be elected to more than two terms of four years in any ten-year period. The Mayor and Commission vote on all ordinances and legislative matters, set policies for the City and hire the City Manager and the Municipal Judge. The City Manager is appointed by the City Commission to oversee the delivery of public services and is responsible for all administration and management. The Municipal Judge is appointed by the City Commission to hold municipal court and exercise jurisdiction of most offenses defined and punishable by ordinance of the city, as well as city and state traffic offenses and misdemeanor crimes.

The City provides a full range of municipal services to the community which include police protection, traffic control, transportation system improvements and maintenance, water, wastewater and stormwater utilities, planning, zoning and building regulation and inspections, economic development support, a community library, a municipal court, a cemetery, and parks and recreation. Fire protection is provided separately by Clackamas Fire District #1.

The Urban Renewal Agency is a blended component unit of the City and is presented as a special revenue fund in this report. The Agency also issues separate financial statements which can be obtained from the City.

The City maintains budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the budget adopted by the City Commission. Under state law, the City is required to adopt a balanced budget by July 1 for either one or two fiscal years beginning July 1 and ending on June 30. The City has elected to operate with a biennial budget that spans two fiscal years. The budget sets forth the City Commission's goals and objectives and identifies the resources necessary to accomplish those goals and objectives. The legal level of budgetary control, which is the level at which management cannot overspend the budget without the approval of the governing body, is by program (Policy and Administration, Police, and Public Works, for example). Each department is budgeted separately within each fund and the object classifications of personnel services, materials and services, and capital outlay are grouped together. Requirements not specific to a department, such as transfers and contingency, are budgeted separately within each fund. Appropriations lapse at the conclusion of each budget period, and incomplete projects must be re-appropriated in the following period as part of the adoption process.

ECONOMIC CONDITION

Oregon City's economy is strongly connected with that of Clackamas County, the Portland metropolitan area, and the State of Oregon. Interstate 205 and State Highways 99E and 213 link Oregon City to Portland, Salem and southwest Clackamas County. The Portland metropolitan area comprises Clackamas, Columbia, Multnomah, Washington and Yamhill Counties in Oregon, which together include over 47% of the State's population according to U.S. Census estimates. The State of Oregon's Economic and Revenue Forecast issued in September of 2024 indicates that Portland metropolitan area population growth is still in a decline, as deaths outpace births and migration of population out of the area. The current median household income in Clackamas County is estimated at \$95,740, compared to \$75,149 nationwide.

The State of Oregon's Economic and Revenue Forecast also states that the overall economic forecast is stable. Employment gains, income growth, and population change are all roughly in the middle of the pack across all states, but a bit below the median state. The economy has transitioned out of the inflationary economic boom and into what will hopefully become a sustained expansion.

Government and education are the top employment sectors in Oregon City, constituting almost 33% of all employment. As the Clackamas County seat, Oregon City is home to several County facilities that serve the region. The City is also home to Clackamas Community College's main campus. The College was founded in 1966 and is now one of the largest community colleges in the state of Oregon, serving an average of 20,000 students annually. Providence Health & Services operates the Willamette Falls Medical Center, a not-for-profit acute care hospital in Oregon City employing 625 people.

Oregon City's real property market value and assessed value continue to increase as the City grows. This growth continues to result in the need for more housing. The median home value in Oregon City was estimated at approximately \$600,000 in September of 2024, relatively consistent with last year. The Oregon constitution establishes a limit of 3% annual increases in the taxable assessed value of existing properties, the primary funding source for local government. Because of this limitation, tax revenue increases are expected to remain much lower than would otherwise result from the growth in real market value.

The City is operating on solid financial footing. The City's leadership, with support from the community, has continuously taken steps to provide sustainable City resources. Management closely monitors financial position and operations to ensure continued sustainability.

LONG TERM FINANCIAL PLANNING AND MAJOR INITIATIVES

The City has traditionally performed long-range planning and forecasting for its major funds. These plans and forecasts allow the City to project expected revenues and expenditures to analyze possible financial outcomes. Capital project budgets are included in the financial plans to ensure that adequate revenue sources are projected to be available for both the construction projects and the related operating costs that may be incurred when the projects are completed.

The City continues to develop a comprehensive long term financial forecast model that will encompass the current biennium and the two following biennia for all funds. While these current forecasts are central to financial management, long term financial forecast models will eventually be linked to the city-wide planning and goal setting conducted by the City Commission and executive staff. The City implemented Euna (formerly Questica) budgeting and long-term financial planning software to aid with the development of a comprehensive financial planning tool which will be used for the 2025-2027 budget cycle as well as long-term projections.

The City Commission holds a formal goal setting process every two years to establish policy direction and financial goals for the upcoming biennium. Highlights of the adopted budget include continued funding toward Commission goals, greater investment in information technology infrastructure, increased investment in transportation, water, wastewater, and stormwater projects, further development of the City's Economic Development and Tourism Plans, exploration of the creation of a Destination Marketing Organization, investments in Diversity, Equity and Inclusion, addition of an Assistant City Manager position, and improvement of citizen engagement in the local government process.

The City continues to fund various Economic Development initiatives, including efforts to support the small business community with programs such as Talent Ready, a workforce development initiative bringing together state, county and nonprofit organizations to serve individuals hampered with a variety of obstacles to employment such as childcare, homelessness, or legal challenges. The City continues the BIZ POD program, a high quality small business training and education resource that provides mentors and other tools designed to improve the resiliency of small businesses. Additionally, the City has established a Microenterprise Small Business program that provides grants to existing small businesses to be used for working capital, building renovations, business-related vehicles, computer hardware/software, and new machinery/equipment.

On July 20, 2023, the City closed on a loan with the United States Environmental Protection Agency (EPA) for a \$16.3 million to fund a portion of future water infrastructure projects. The loan is part of EPA's Water Infrastructure Finance and Innovation Act (WIFIA) program. This program provides low-interest, long-term loans for qualifying water infrastructure project packages of \$20 million or more. The maximum loan amount is 49% of eligible WIFIA project package costs. The City will match the WIFIA project package costs with funding from water rates, water system development charge revenue and General Fund surpluses in connection with the American Rescue Plan Act (ARPA). The City is in the beginning stages of multiple projects funded by the WIFIA program, such as multiple pipe replacement projects and multiple transmission main improvements throughout the City.

RELEVANT FINANCIAL POLICIES

The following financial policies are expected to provide a solid framework for the City's financial strategy and sustainability.

Revenue Policy

- ★ The City will strive to maintain a diversified and stable revenue system to protect from fluctuations in any one revenue source
- ★ One-time revenues should not be used for ongoing expenditures, but instead for one-time expenditures
- ★ All City funds shall be safely invested to provide first, preservation of capital and a sufficient level of liquidity to meet cash flow needs and second, to provide the maximum yield possible
- ★ Utility rates will be set at levels sufficient to cover operating expenses, meet debt obligations, and provide adequate levels of working capital
- ★ The City will periodically review and revise user fees to recover the costs of those services to the extent possible

- ★ The City will estimate its annual revenues objectively, analytically and conservatively

Budget Policy

- ★ The City shall prepare, present, adopt and amend its operating budget in accordance with Oregon Local Budget Law
- ★ The City shall establish contingency reserves to provide for unanticipated expenditures of a nonrecurring nature and to meet unexpected increases in service delivery costs; these funds may not be directly disbursed from the contingency reserve but only in accordance with local budget law in the State of Oregon

Reserve Policy

- ★ The City will maintain an unallocated and unappropriated fund balance or retained earnings to provide working capital during tough economic conditions, until enough revenues become available to fund current operations
- ★ It is the intent of the City to use surpluses generated to accomplish three goals: meet reserve policies, avoid future debt, and reduce outstanding debt

AWARDS AND ACKNOWLEDGEMENTS

Government Finance Officers Association of the United States and Canada (GFOA) awarded a **Certificate of Achievement for Excellence in Financial Reporting** to the City of Oregon City, Oregon, for its annual comprehensive financial report for the fiscal year ended June 30, 2023. This was the thirteenth consecutive year the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

The City also received the GFOA's **Distinguished Budget Presentation Award** for its biennial budget document for the 2023-2025 biennium. To qualify for the Distinguished Budget Presentation Award, the government's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the Finance Department. In addition, I would like to express my appreciation to members of the other City departments and divisions who assisted and contributed to its preparation. Finally, I would like to thank the Mayor and City Commissioners for their continued support in our efforts to improve the City's financial management and reporting. Without their support, this report would not have been possible.

Respectfully submitted,

Matt Zook
Finance Director

ELECTED OFFICIALS

(as of June 30, 2024)

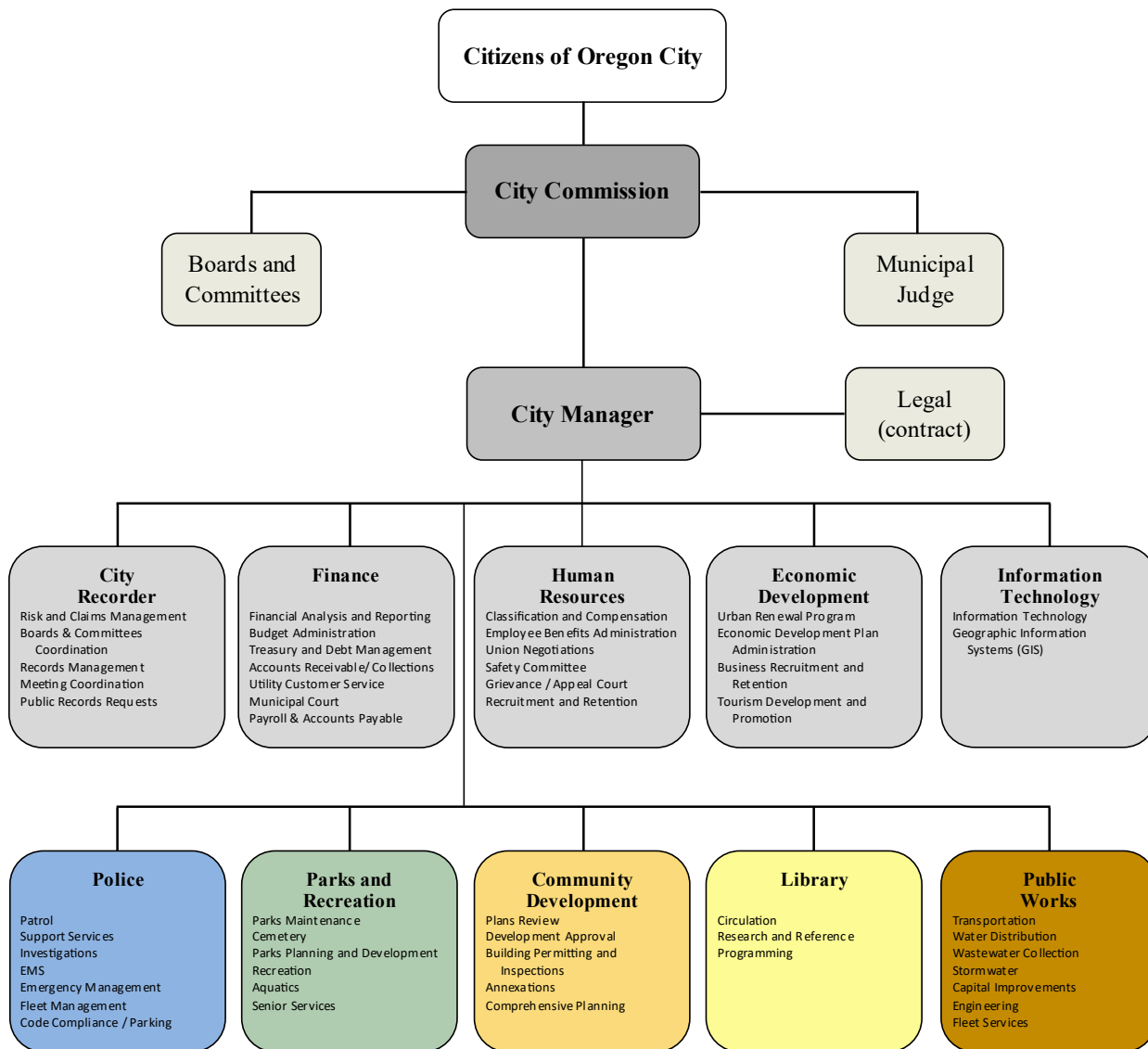
Mayor	<u>Term Expires</u>
Denyse McGriff	December 31, 2026
Commission Members	
Rocky Smith, Jr.	December 31, 2026
Mike Mitchell	December 31, 2024
Frank O'Donnell	December 31, 2024
Adam Marl	December 31, 2026

MANAGEMENT TEAM

(as of June 30, 2024)

Tony Konkol III	City Manager
Alexandra Rains	Assistant City Manager
Shaun Davis	Chief of Police
Michael Dobaj	Information Technology Director
Patrick Foiles	Human Resources Director
James Graham	Economic Development Manager
Aquilla Hurd-Ravich	Community Development Director
John Lewis	Public Works Director
Jarrod Lyman	Communications Manager
Kendall Reid	Parks and Recreation Director
Jakob Wiley	City Recorder
Greg Williams	Library Director
Matt Zook	Finance Director

CITY OF OREGON CITY, OREGON
ORGANIZATION CHART
JUNE 30, 2024





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Oregon City
Oregon**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

The Government Finance Officers Association of the United States and Canada (GFOA) established the Certificate of Achievement for Excellence in Financial Reporting Program (COA) to encourage and assist state and local governments to go beyond the minimum requirements of generally accepted accounting principles to prepare annual comprehensive financial reports (ACFR) that evidence the spirit of transparency and full disclosure and then to recognize individual governments that succeed in achieving that goal.



FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Commissioners
City of Oregon City
Oregon City, Oregon

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Oregon City (the City) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

INDEPENDENT AUDITOR'S REPORT, CONTINUED

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, General Fund and Major Special Revenue Funds' schedules of revenues, expenditures and changes in fund balance – budget and actual, schedule of changes in OPEB liability and related ratios – implicit rate subsidy, schedule of the proportionate share of OPEB – RHIA, schedule of contributions to OPEB – RHIA, schedule of proportionate share of the net pension liability and schedule of contributions - pension be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the management's discussion and analysis, schedule of changes in OPEB liability and related ratios – implicit rate subsidy, schedule of the proportionate share of OPEB – RHIA, schedule of contributions to OPEB – RHIA, schedule of proportionate share of the net pension liability and schedule of contributions - pension in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

INDEPENDENT AUDITOR'S REPORT, CONTINUED

Required Supplementary Information, continued

The General Fund and Major Special Revenue Funds' schedules of revenues, expenditures and changes in fund balance – budget and actual, as listed in the table of contents under required supplementary information, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements, schedule of future debt service requirements, and schedule of property tax transactions and outstanding balances are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, schedule of future debt service requirements, and schedule of property tax transactions and outstanding balances are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

INDEPENDENT AUDITOR'S REPORT, CONTINUED

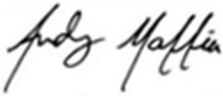
Reports on Other Legal and Regulatory Requirements

Other Reporting Required by Oregon State Regulations

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have also issued our report dated December 3, 2024, on our consideration of the City's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance.

Aldrich CPAs + Advisors LLP

By:



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Lake Oswego, Oregon
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As management of the City of Oregon City, Oregon (the "City"), we offer readers of the financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2024. Information in this Management's Discussion and Analysis (MD&A) is based on currently known facts, decisions and conditions. We encourage readers to consider the information presented here in conjunction with additional information provided in the transmittal letter, the basic financial statements and the accompanying notes to the financial statements, which are also included in this report.

FINANCIAL HIGHLIGHTS

GOVERNMENT-WIDE

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows by \$352.92 million (reported as net position). Within the net position, \$31.34 million is unrestricted and may be used to meet the City's general obligations to citizens and creditors.
- Total assets are \$421.40 million, an increase of \$17.29 million, or 4.28%. Governmental type activities provided an increase of \$8.33 million while business-type activities increased \$8.96 million. The increase is attributed to an increase in assessments receivable, as well as an increase in cash and cash equivalents due to the accumulation of resources for the upcoming Water Infrastructure Finance and Innovation Act (WIFIA) projects and cash from operating activities. Capital assets increased by \$10.08 million, net of depreciation, primarily due to the continuation of the inflow and infiltration project and the start of WIFIA projects.
- The City's liabilities totaled \$71.63 million, an increase of approximately \$4.39 million. Liabilities consist of \$60.38 million in long-term liabilities and \$11.25 million in accounts payable and other liabilities. Much of the increase was associated with an increase in net pension and other postemployment benefit (OPEB) liabilities of \$6.24 million. The City's total outstanding bonded debt decreased by \$2.35 million from regular debt payments.
- For its governmental activities, the City generated \$14.95 million in charges for services and \$11.50 million in operating and capital grants and contributions. Operating expenses and interest on long-term debt for governmental activities totaled \$46.83 million for the year. Additionally, governmental activities recorded general revenues of \$30.36 million and \$0.04 million of transfers out. This resulted in net position increasing by \$9.97 million to \$211.53 million at year end.
- For its business-type activities, the City generated \$28.50 million in charges for services and \$3.56 million in operating and capital grants and contributions to fund expenses of \$25.71 million. After other general revenues of \$1.83 million and transfers in of \$0.04 million, business type net position increased by \$8.22 million.

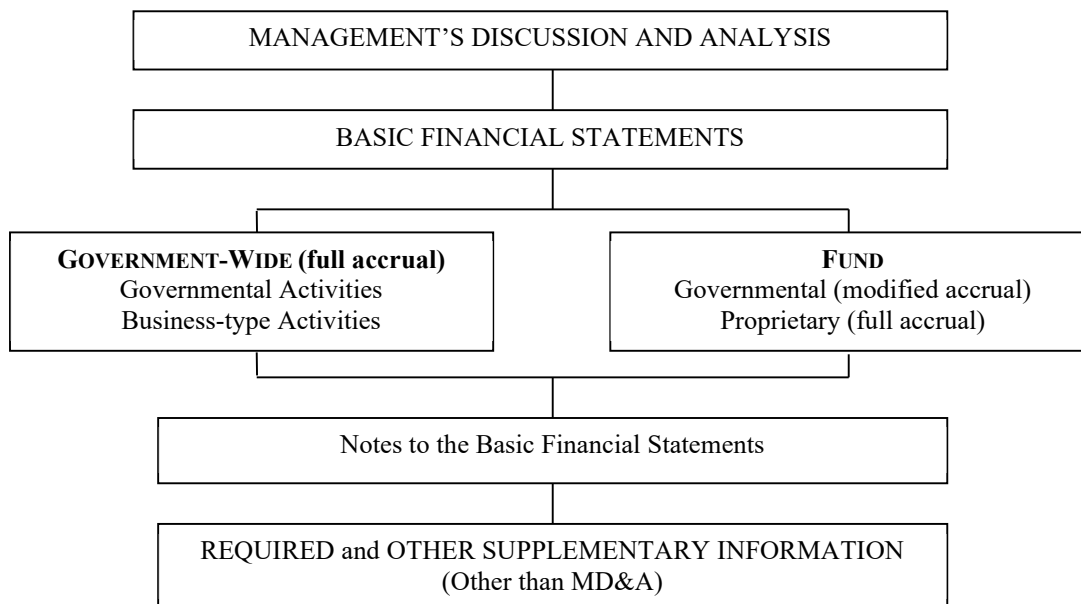
FUND LEVEL

- The City's governmental funds report a combined fund balance of \$81.20 million, a \$5.12 million increase compared to the prior year. Of the total fund balance reported, \$67.99 million is considered nonspendable, restricted, committed or assigned. The remaining \$13.21 million, or 16.28%, is available for spending at the City's discretion. The fund balance increase is largely due to an increase in investment revenue due to increased rates at the State of Oregon Local Government Investment Pool (LGIP) and higher cash balances and an accumulation of resources for future capital projects.
- The proprietary funds, those used to account for programs which the City charges for the services it provides, reported combined net position of \$141.39 million, an increase of \$8.22 million compared to the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

In addition to this discussion and analysis, the financial section of the annual report contains the basic financial statements and notes to those financial statements, required supplementary information and other supplementary information, including the combining statements and schedules of nonmajor funds. The following chart illustrates how the various divisions of the financial section are arranged relative to one another.

FINANCIAL SECTION COMPONENTS



GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide statements are designed to report information about the City as a whole using accounting methods similar to those used by private-sector companies.

The statements include not only the City itself (known as the primary government) but also a legally separate urban renewal agency for which the City is financially accountable. The Statement of Net Position includes all of the City's assets (land, buildings, infrastructure such as streets, traffic signals, utility lines and bridges, etc.), deferred inflows and outflows, and liabilities (including general obligation long term debt), with the difference reported as net position.

The Statement of Activities presents information showing how the government's net position changed during the year. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will result in cash inflows or outflows in a future fiscal period. Examples of such items include earned but uncollected property taxes (future inflow) and earned but unused compensated absences (future outflow).

The net position provides a measure of the City's financial health or position. The two government-wide statements report the City's net position and how it has changed.

The government-wide financial statements can be found on pages 30 and 31 of this report. The statements are divided into two categories and distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

Governmental activities – Most of the City's basic services are included here, such as Police, Parks and Recreation, Library, Planning and Zoning, Building, Traffic Control and Improvements, Street Construction and Maintenance, Parking and Code Enforcement, and General Administration (City Commission, City Manager, City Recorder, Finance, Human Resources, and Information Services).

Business-type activities – The City charges fees to customers to cover the costs of certain services it provides. The City's Water, Wastewater and Stormwater utilities are included here.

FUND FINANCIAL STATEMENTS

The fund financial statements provide detailed information about the most significant funds – not the City as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of state and local governments can be divided into three categories: governmental, proprietary and fiduciary.

Governmental funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide statements, governmental funds financials place emphasis on available financial resources, rather than upon changes in net position. Therefore, unlike the government-wide financial statements, governmental fund financial statements focus on the acquisition and use of current spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term requirements.

The City maintained 11 individual governmental funds for the current fiscal year. Information is presented separately in the governmental funds' Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances for those funds that are considered significant (major) to the City taken as a whole. The remaining governmental funds are reported as a combined total. The City reports six major governmental funds in the current year as follows:

- General Fund
- Engineering
- System Development
- Urban Renewal
- Transportation
- Community Facilities

The governmental fund financial statements can be found on pages 32 through 35 of this report. Summary fund data by fund-type for the nonmajor governmental funds is provided in the form of combining statements starting on page 103. Individual fund data for each of these nonmajor governmental funds is provided as Other Supplementary Information on pages 106 through 110.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City adopts a biennial appropriated budget for all governmental funds. The current budget period is July 1, 2023 through June 30, 2025. To demonstrate compliance with the budget, budgetary comparison schedules have been provided as Required Supplementary Information for the General Fund on page 86 and for the major special revenue funds on pages 87 through 90. Additional budgetary compliance with the major capital projects fund and other governmental funds is included in Other Supplementary Information on page 101 and 103 through 110, respectively.

Proprietary funds – Proprietary funds are used to account for activities where the emphasis is placed on net income determination. The City maintains a total of six proprietary funds; these are classified as either enterprise funds or

internal service funds.

Enterprise funds – Used to account for water utility, wastewater utility, and stormwater utility activities. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. All three enterprise funds are considered major funds.

Internal service funds – Used as an accounting device to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for fleet service, equipment replacement and customer service activities. Because internal service funds predominantly benefit business-type functions rather than governmental, their assets and liabilities have been included with business-type activities in the government-wide financial statements. Internal service funds are not considered major proprietary funds.

The proprietary fund financial statements can be found on pages 36 through 38 of this report. The enterprise funds, water, wastewater, and stormwater are all considered to be major funds of the City and are reported separately in the proprietary fund financial statements in the basic financial statements. All internal service funds are combined into a separate single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements, on pages 116 through 118 of this report.

The City also adopts a biennial appropriated budget for all proprietary funds. To demonstrate compliance with the budget, budgetary comparison schedules have been provided for the enterprise funds as Supplementary Information on pages 112 through 114 and for the internal services funds, on pages 120 through 122.

The City currently reports no Fiduciary funds.

NOTES TO THE BASIC FINANCIAL STATEMENTS

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. They are an integral part of the basic financial statements and should be read in conjunction with them. The notes to the financial statements can be found starting on page 40 of this report.

OTHER INFORMATION

Required Supplementary Information – In addition to the basic financial statements and accompanying notes, this report presents certain supplementary information required by financial reporting standards. Required Supplementary Information can be found starting on page 86 of this report.

Other Supplementary Information – The report presents combining and individual fund statements and schedules as well as other financial schedules starting on page 101 of this report.

The report also includes statistical information including financial trends, and demographic and economic information. The Statistical Section starts on page 130 of this report.

GOVERNMENT WIDE FINANCIAL ANALYSIS

NET POSITION

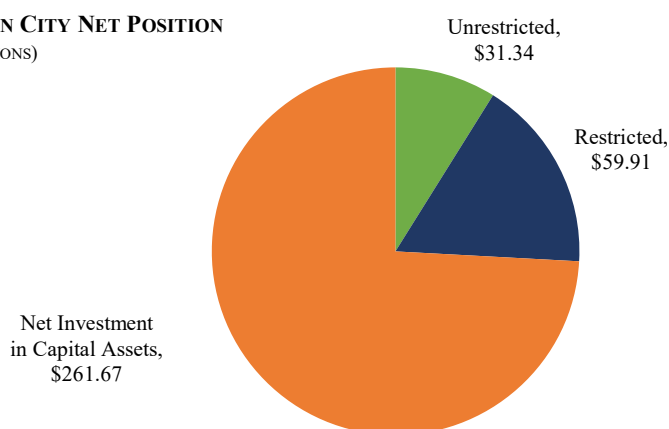
As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$352.92 million at the close of this year. This is an increase of \$18.15 million from the beginning net position.

TABLE 1
NET POSITION AS OF JUNE 30

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 90,800,309	\$ 83,732,408	\$ 49,499,690	\$ 49,357,259	\$ 140,299,999	\$ 133,089,667
Capital assets	178,961,962	177,695,615	102,140,379	93,326,562	281,102,341	271,022,177
Total assets	269,762,271	261,428,023	151,640,069	142,683,821	421,402,340	404,111,844
Deferred outflows of resources	8,361,772	8,820,429	1,832,997	1,838,495	10,194,769	10,658,924
Long term liabilities	52,838,795	50,390,367	7,539,883	6,054,013	60,378,678	56,444,380
Other liabilities	8,266,493	8,071,427	2,925,236	2,719,484	11,191,729	10,790,911
Total liabilities	61,105,288	58,461,794	10,465,119	8,773,497	71,570,407	67,235,291
Deferred inflows of resources	5,487,066	10,190,586	1,620,500	2,577,527	7,107,566	12,768,113
Net position:						
Net investment in capital assets	161,318,410	159,771,923	100,349,927	92,038,220	261,668,337	251,810,143
Restricted	59,808,973	54,726,514	98,808	86,685	59,907,781	54,813,199
Unrestricted	(9,595,694)	(12,902,365)	40,938,712	41,046,387	31,343,018	28,144,022
Total net position	<u>\$ 211,531,689</u>	<u>\$ 201,596,072</u>	<u>\$ 141,387,447</u>	<u>\$ 133,171,292</u>	<u>\$ 352,919,136</u>	<u>\$ 334,767,364</u>

At \$261.67 million, or 74.14%, the largest portion of the City's net position reflects its investment in capital assets (e.g., land, buildings, improvements, equipment, infrastructure, and intangible leases and subscriptions, net of accumulated depreciation and amortization) less any related outstanding debt used to acquire those assets. Although the City's net investment in its capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot, nor are expected to, be used to liquidate liabilities or for future spending. An additional portion of the City's net position, \$59.91 million, or 16.98%, represents resources that are subject to external restrictions on how they may be used. The remaining balance is unrestricted net position totaling \$31.34 million or 8.88%. As of June 30, 2024, the City had positive balances in all three categories of net position for the City as a whole.

OREGON CITY NET POSITION
(IN MILLIONS)



Governmental activities – Total net position of governmental activities increased \$9.94 million or 4.93% for the year. The \$8.33 million increase in assets included a \$1.27 million increase in capital assets (which represents \$7.91 million of capital asset purchases, contributions and intangible assets offset by \$6.45 million in depreciation and amortization and \$0.19 million in deletions). Current and other assets increased by \$7.07 million, due primarily to a \$4.85 million increase in cash and investments accumulated for future projects and capital acquisitions and an \$1.73 million increase in assessment liens receivable.

CITY OF OREGON CITY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Long term liabilities increased by \$2.45 million mostly due to a \$4.88 million increase in the net pension and OPEB (other post-employment benefit) offset by a \$2.53 million decrease in bonds payable for scheduled debt payments. The increase to other liabilities of \$0.20 million included a rise in accounts payable of \$0.23 million.

Business-type activities – Total net position of business-type activities increased \$8.22 million or 6.17% for the year. The \$8.96 million increase in assets included a \$0.97 million increase in the investment in South Fork Water Board, a wholesale water distributor jointly owned by the City of Oregon City and the City of West Linn. The increase in assets also included a \$8.81 million increase in capital assets (which represents \$12.41 million of capital asset purchases, contributions and intangible assets offset by \$3.47 million in depreciation and amortization and \$0.13 million in deletions). Total liabilities increased by \$1.69 million is mostly due to an \$1.17 million increase in the net pension and OPEB.

More information on capital assets, debt and pension and OPEB liabilities are included in the notes to the financials.

CHANGES IN NET POSITION

As with the net position, the City reports changes in net position on a consolidated basis. A summary of the changes in net position is shown in Table 2 below.

TABLE 2
CHANGES IN NET POSITION
FISCAL YEARS ENDED JUNE 30

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues						
Program revenues						
Charges for services	\$ 14,945,512	\$ 13,794,062	\$ 28,498,528	\$ 26,813,324	\$ 43,444,040	\$ 40,607,386
Operating grants and contributions	7,500,878	16,000,474	2,839,044	2,357,840	10,339,922	18,358,314
Capital grants and contributions	3,995,177	10,109,047	717,435	3,522,854	4,712,612	13,631,901
General revenues						
Property taxes	17,274,465	18,760,606	-	-	17,274,465	18,760,606
Franchise taxes	4,683,625	4,491,261	354,977	334,174	5,038,602	4,825,435
Other	8,401,669	6,432,177	1,475,941	790,456	9,877,610	7,222,633
<i>Total revenues</i>	<i>56,801,326</i>	<i>69,587,627</i>	<i>33,885,925</i>	<i>33,818,648</i>	<i>90,687,251</i>	<i>103,406,275</i>
Expenses						
General governmental	10,716,020	9,385,154	-	-	10,716,020	9,385,154
Public safety	13,013,336	13,124,090	-	-	13,013,336	13,124,090
Public works	8,790,708	8,337,604	-	-	8,790,708	8,337,604
Culture and recreation	9,112,168	9,563,967	-	-	9,112,168	9,563,967
Community development	4,259,193	3,619,719	-	-	4,259,193	3,619,719
Interest on long-term debt	936,726	1,028,158	8,484	6,690	945,210	1,034,848
Water	-	-	8,121,872	7,827,537	8,121,872	7,827,537
Wastewater	-	-	12,539,985	12,904,231	12,539,985	12,904,231
Stormwater	-	-	4,088,225	2,902,744	4,088,225	2,902,744
Fleet	-	-	948,762	666,036	948,762	666,036
<i>Total expenses</i>	<i>46,828,151</i>	<i>45,058,692</i>	<i>25,707,328</i>	<i>24,307,238</i>	<i>72,535,479</i>	<i>69,365,930</i>
Changes in net position before transfers	<i>9,973,175</i>	<i>24,528,935</i>	<i>8,178,597</i>	<i>9,511,410</i>	<i>18,151,772</i>	<i>34,040,345</i>
Transfers	(37,558)	(6,346,650)	37,558	6,346,650	-	-
Changes in net position	<i>9,935,617</i>	<i>18,182,285</i>	<i>8,216,155</i>	<i>15,858,060</i>	<i>18,151,772</i>	<i>34,040,345</i>
Beginning net position, as originally reported	201,596,072	183,400,983	133,171,292	117,309,480	334,767,364	300,710,463
Prior period adjustment	-	12,804	-	3,752	-	16,556
Beginning net position	201,596,072	183,413,787	133,171,292	117,313,232	334,767,364	300,727,019
Net position - ending	\$ 211,531,689	\$ 201,596,072	\$ 141,387,447	\$ 133,171,292	\$ 352,919,136	\$ 334,767,364

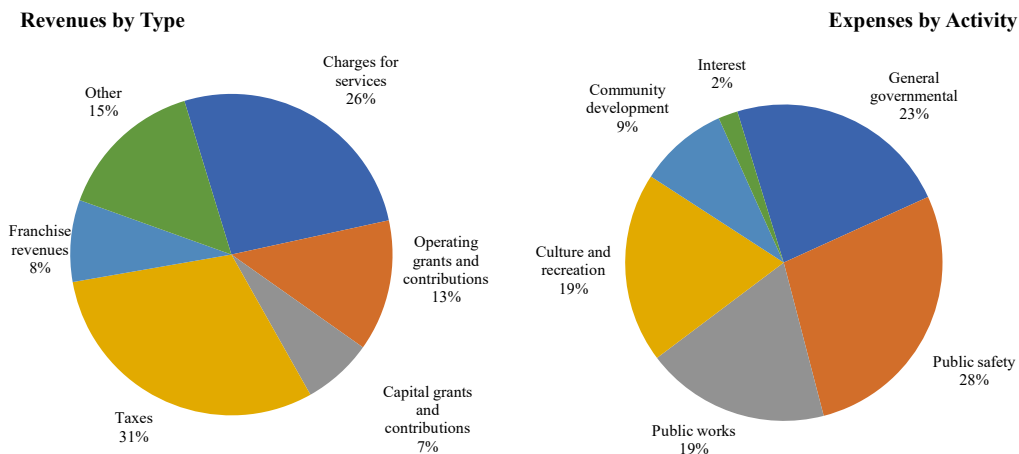
Governmental activities

Net position of governmental activities increased by \$9.94 million. This was less than the prior year increase of \$18.20 million by \$8.26 million. This lesser increase in net position compared to the prior year was due to a \$12.79 million decrease in revenue, a \$1.77 million increase in expense and a \$6.30 million decrease in net transfers (the extent to which transfers-out to governmental activities exceeded transfers-in to business-type activities).

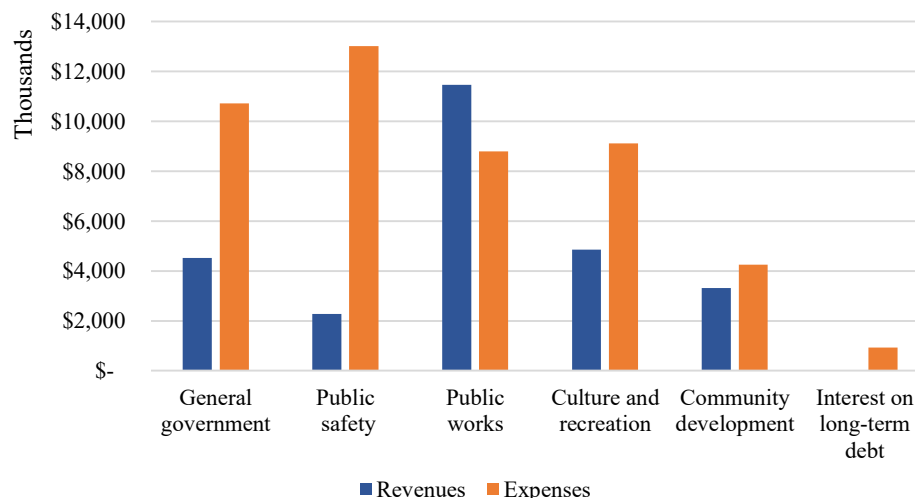
Compared to prior year, revenue decreased, primarily due to a \$8.50 million decrease in operating grants and contributions (due mostly to the recognition of ARPA funds as earned revenue in the prior fiscal year), an decrease of \$6.11 million in system development revenue (due to a slow down in new commercial and residential developments) and a \$1.97 million increase in investment revenue (due to increased rates at the State of Oregon Local Government Investment Pool (LGIP) and higher cash balances). The increase in expense of \$1.77 million represents an increase of 3.93% over the prior year, which reflects an increase in personnel costs due to contractually required wage and benefit increases and capital outlay related to transportation and WIFIA projects.

Revenues and expenses of these governmental activities are highlighted below.

GOVERNMENTAL ACTIVITIES – TOTAL REVENUES AND EXPENSES



GOVERNMENTAL ACTIVITIES – PROGRAM REVENUES AND EXPENSES



CITY OF OREGON CITY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

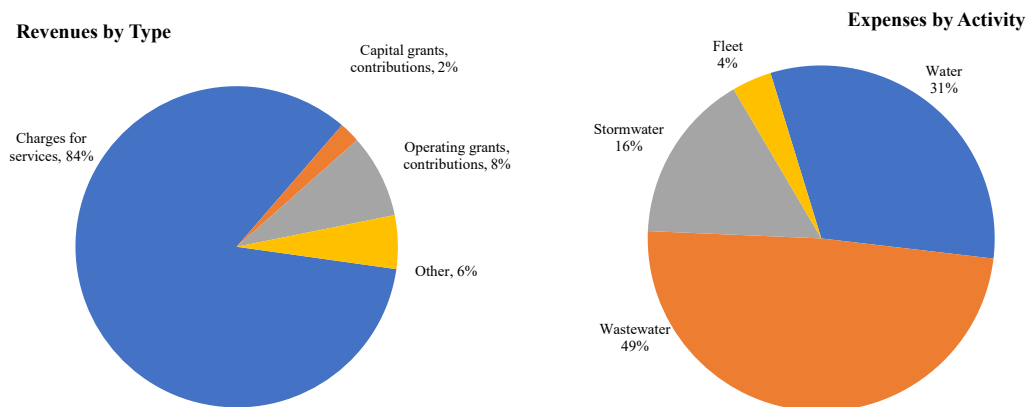
Business-type activities

Net position of business-type activities increased by \$8.22 million. This was less than the prior year increase of \$15.86 million by \$7.64 million. The lesser increase in net position compared to the prior year was due to a \$0.06 million increase in revenue, a \$1.40 million increase in expense, and a \$6.30 million increase in net transfers (the extent to which transfers-in to business-type activities exceeded transfers-out to governmental activities).

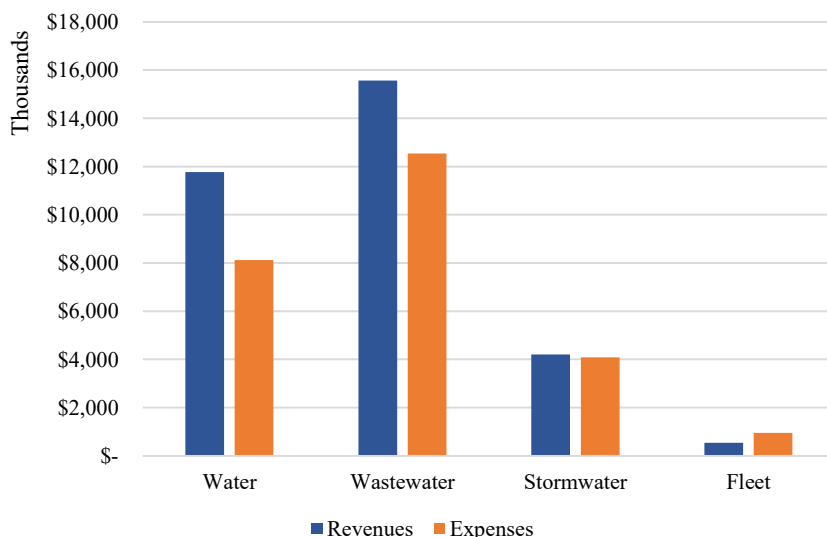
The increase in revenue was due primarily to a \$1.69 million increase in charges for services (due to inflationary utility rate adjustments), a \$0.48 million increase in operating grants and contributions (due to proceeds received through a cost sharing agreement with Water Environmental Services on the City's inflow and infiltration project), a \$0.69 million increase in investment revenue (due to increased interest rates at the State of Oregon Local Government Investment Pool (LGIP) and higher cash balances) and a \$0.04 million increase in transfers in (the extent to which transfers-in to business-type activities exceeded transfers-out to governmental activities). The increase in expense of \$1.40 million is due in part to an increase in wholesale water purchases, stormwater catch basin grounds maintenance and general operating costs.

The use of the resources of the business-type activities is restricted to the financing of the continuing operations of water, wastewater, stormwater and fleet operations. Revenues and expenses of these business-type activities are highlighted below.

BUSINESS-TYPE ACTIVITIES TOTAL REVENUES AND EXPENSES



BUSINESS-TYPE ACTIVITIES PROGRAM REVENUES AND EXPENSES



FINANCIAL ANALYSIS OF MAJOR FUNDS

GOVERNMENTAL FUNDS

Major governmental funds include the General, Engineering, System Development, Urban Renewal, Transportation, and Community Facilities Funds.

- The General Fund is the City's main operating fund. Its ending fund balance increased by \$1.98 million, a difference of \$1.30 million compared to the prior year's increase of \$0.68 million. The ending net position compared to the prior year net position includes an adjustment to decrease net position by \$0.73 million to move continuing operations to establish a new Park Donations Fund. The \$6.02 million decrease in revenue is most due to the recognition of ARPA funds earned as grant revenue in the prior fiscal year, offset by an increase in property tax revenue of \$1.55 million related to the Urban Renewal Agency decision to not levy taxes. Expenses decreased slightly due to higher personnel costs offset by a reduction of Parks and Recreation capital outlay costs. Transfers out decreased by \$6.15 million due to the prior year transfer to allocate ARPA-enabled funds to the Water fund for future projects.
- The Engineering Fund remained relatively consistent with a slight decrease to its ending balance of \$0.19 million in the current year compared to a \$0.10 million decrease in the prior year. The decline in the ending fund balance reflects a decrease in charges for services that was exceeded by operational costs.
- The System Development Fund collects development charges relating to new construction or improvements and are used to fund capacity increasing capital projects associated with the City's roads, parks, water, wastewater, and stormwater infrastructure. The Fund's ending fund balance increased by \$1.16 million in the current year due to revenues collected through a cost sharing intergovernmental agreement for the City's Safe Routes to School and Beavercreek Road All Roads Transportation Safety (ARTS) project as well an increase in interest income.
- The Urban Renewal Agency's ending fund balance increased \$0.33 million primarily due to interest income earned through the Local Government Investment Pool (LGIP). The Urban Renewal Commission did not levy any property taxes or expend funds on capital projects in the current fiscal year.
- The Transportation Fund collects gas taxes and pavement maintenance fees to repair and improve the City's roads, sidewalks and pathways. The Fund's ending fund balance decreased by \$0.31 million, a difference of \$2.17 million compared to the prior year's increase of \$1.86 million. This decrease of \$2.17 million represents an increase in expense and a decrease of transfers in of \$1.95 million. The \$1.97 million increase to capital outlay was due primarily to Roadway Reconstruction and roadway reconstruction projects, while the decrease to transfers in was the result of a one-time allocation of ARPA-enabled funds for a future quiet zone project in the prior year.
- The Community Facilities Fund ending balance increased by \$1.60 million. This increase represents savings for future capital projects.

PROPRIETARY FUNDS

Major proprietary funds include the Water, Wastewater, and Stormwater Funds. All three of these proprietary funds had increases to the net position mainly due to programmed utility rate increases and capital contributions.

- The net position increase for the Water Fund was \$2.47 million.
- The net position increase for the Wastewater Fund was \$4.16 million.
- The net position increase for the Stormwater Fund was \$0.08 million.

GENERAL FUND BUDGETARY HIGHLIGHTS

Budget adjustments in the General Fund in the current biennium included:

- Recognition of unanticipated additional beginning fund balance and the appropriation of related expenditures in the amount of \$169,000 for the construction of a public restroom in Downtown Oregon City (planned for the end of the prior biennium but carried forward to the current biennium)
- Appropriation of \$47,500 for contracted janitorial services to clean the new public restroom reducing the fund's contingency balance
- Recognition of \$10,000 for developer reimbursement and appropriation of \$40,600 for right-of-way fiber compliance costs reducing the fund's contingency balance
- Appropriation of \$46,600 for additional telephone operational costs associated with phone software upgrades reducing the fund's contingency balance
- Appropriation transfer of \$139,700 from Parks and Recreation to General Government to reclass a Parks Maintenance Specialist to a Facilities Maintenance Specialist
- Appropriation of Subscription-Based Information Technology Arrangements for agenda and meeting software, website software, lease and subscription management software, budget software, and Voice Over Internet Protocol (VOIP) software:
 - recognition of capital outlay for subscription obligations in the amount of \$380,700
 - recognition of proceeds from subscription obligations in the amount of \$367,600
 - increase debt by \$46,600 for subscriptions costs associated with phone software upgrades reducing the fund's contingency balance
 - reclassify professional expenses of \$582,000 and appropriate debt payments of principal in the amount of \$563,300 and interest in the amount of \$18,700

Revenues and expenditures were consistent with budgeted amounts for the biennium.

CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS

At June 30, 2024, the City had approximately \$281.10 million invested in a broad range of capital assets, including land, buildings and improvements, equipment, roads, bridges, utility infrastructure, lease and subscription assets. Capital assets comprise approximately 66.71% of all City assets. Of that total, infrastructure is the largest component of both governmental and business-type activities. Infrastructure includes road improvements, sidewalks, storm drainage systems, sanitary sewer lines, and water lines.

TABLE 3
CAPITAL ASSETS, NET OF DEPRECIATION AND AMORTIZATION
AS OF JUNE 30

	Governmental Activities		Business-type Activities		Total Government-wide	
	2024	2023	2024	2023	2024	2023
Land	\$ 13,295,346	\$ 13,295,346	\$ 2,797,352	\$ 2,742,070	\$ 16,092,698	\$ 16,037,416
Construction in progress	3,081,028	2,961,279	7,323,879	12,050,395	10,404,907	15,011,674
Subscription implementation	-	221,556	-	-	-	221,556
Equipment	1,335,496	1,491,524	3,251,752	2,154,896	4,587,248	3,646,420
Buildings and improvements	48,538,303	48,574,437	16,876,850	16,207,185	65,415,153	64,781,622
Infrastructure	111,959,501	110,570,838	71,409,677	59,882,173	183,369,178	170,453,011
Leases	90,937	100,497	403,908	175,334	494,845	275,831
Subscriptions	661,351	480,138	76,961	114,509	738,312	594,647
Total	\$ 178,961,962	\$ 177,695,615	\$ 102,140,379	\$ 93,326,562	\$ 281,102,341	\$ 271,022,177

The total increase to the capital asset balance for the City was \$10.08 million from the prior year which was comprised of \$20.32 million in capital asset additions, offset by net decreases of \$0.32 million and depreciation and amortization expense of \$9.92 million. Major capital projects and other capital asset related activities during the fiscal year are highlighted below. Additional information on the City's capital assets can be found in Note 2.D starting on page 54 of this report.

- ★ Linn Basin Sanitary Sewer \$3.45 million
- ★ Roadway Reconstruction \$2.95 million
- ★ Clairmont Waterline Replacement \$1.59 million
- ★ Beavercreek Road All Roads Transportation Safety (ARTS) Grant \$1.53 million
- ★ Main Street Waterline Improvements \$1.01 million

DEBT ADMINISTRATION

At the end of the current fiscal year, the City had total debt outstanding of approximately \$22.08 million. All debt is reported in the governmental funds. The City's total debt outstanding represents long term borrowings.

Outstanding bonds totaling \$3.53 million are voter approved general obligation bonds which are paid by ad-valorem tax on all taxable property in the City. PERS pension bonds in the amount of \$6.05 million are limited tax obligation funds that are payable from various City funds that have personnel services. Outstanding bonds totaling \$11.42 million, with \$1.08 million in bond premium, are voter-approved full faith and credit bond obligations. On July 20, 2023, the City closed on a loan with the Federal Environmental Protection Agency (EPA) for \$16.3 million to fund a portion of future water infrastructure projects. There was no draw down of funds in the current fiscal year.

The City's underlying credit rating is AA+ with a stable outlook by Standard & Poor's.

Under Oregon law, the City is subject to a debt limit in which general obligation debt issues are limited to 3% of real market value of all taxable property within City boundaries. The City was below the legal debt limit.

TABLE 4
LONG-TERM DEBT OUTSTANDING AS OF JUNE 30

	Governmental Activities		Business-type Activities		Total Government-wide	
	2024	2023	2024	2023	2024	2023
General Obligation Bonds	\$ 3,528,775	\$ 3,826,296	\$ -	\$ -	\$ 3,528,775	\$ 3,826,296
Limited Obligation Bonds	17,470,000	19,450,000	-	-	17,470,000	19,450,000
Total Issued Debt Outstanding	20,998,775	23,276,296	-	-	20,998,775	23,276,296
Bond Premiums/(Discounts)	1,079,529	1,156,638	-	-	1,079,529	1,156,638
Total Long Term Debt	<u>\$ 22,078,304</u>	<u>\$ 24,432,934</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,078,304</u>	<u>\$ 24,432,934</u>

In addition to long term debt outstanding, the City has a long term compensated absences liability of \$1.57 million, a long term lease liability of \$0.45 million and a long term subscription liability of \$0.46 million. Additional information on the City's debt can be found in Notes 2.E through H on pages 58 through 64 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The largest revenue sources of the City's governmental activities are property taxes, charges for services, and state shared revenues. Oregon has no sales tax, resulting in local government's heavy reliance on property taxes and other self-generated revenues including franchise fees, building permits, business licenses, and so forth. The State Constitution limits the annual growth of maximum assessed value to 3%, other than new development, and caps maximum property tax rates. The City of Oregon City levies less than its maximum property tax rate to support taxpayers. In 2024, the City's assessed value increased 4.93%. The City's business-type activities are funded through water, wastewater, and stormwater rates; these rates are generally adjusted annually for inflation.

CITY OF OREGON CITY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

On May 16, 2023, voters rejected Measure 3-597, which requested the approval for the Urban Renewal Agency to borrow up to \$44 million for projects in the Urban Renewal Plan. During the budget adoption process, the Urban Renewal Commission declared an Incremental Assessed Value of \$0 for fiscal year 2023-24 with prior year collections as \$46,000 and an Incremental Assessed Value of \$55,165,000, which anticipates approximately \$828,000 in fiscal year 2024-25 levy collections with prior year collections at \$26,000.

The City, along with local governments across the State, continues to carefully monitor retirement costs resulting from the State-run pension fund, Oregon Public Employee Retirement System (PERS). Further information on PERS can be found in the notes to the financials.

The City budgets on a biennial basis and during preparation of the budget for the ensuing biennium, the long-term impacts of the local economy were examined in conjunction with business decisions made by the City. The City's adopted budget for the July 1, 2023 through June 30, 2025 biennium was \$282.12 million. The current budget, after adjustments, is \$282.62 million. The following are the major assumptions used in developing the budget:

- ✦ The City's population was estimated at 37,786 with annual growth of 0.75% to 2.00%.
- ✦ The City's tax rate remains at \$4.4090, lower than the City's permanent rate limit of \$5.0571. Oregon City is one of very few cities in Oregon that has the capacity to raise its current tax rate. The City Commission has independent authority to raise the rate by \$0.6481, which would add an additional \$2.17 million per year to the General Fund, net of discounts. However, even with the reduced tax rate, City leaders have been fiscally responsible resulting in strong General Fund reserves. The existing rate will remain unchanged during the biennium.
- ✦ Assessed values, the basis of property tax revenues, were expected to grow by 3.7% for each year of the biennium.
- ✦ Charges for services were scheduled to increase between 3.0% and 12.0% based on previously approved indexing schedules.
- ✦ Interest rates on investments were budgeted conservatively for the biennium.
- ✦ Cost of living increases were proposed for all employees in the amount of 3.00% to 4.00%.
- ✦ Oregon Public Employees Retirement System (PERS) contributions were forecasted to increase 1.25% to 4.95% of covered payroll.
- ✦ Health benefit costs were projected at a 4.0% to 8.1% increase based on current claims and premiums projections prepared by the City's benefits broker.
- ✦ The costs for goods and contracts are projected with inflationary increases.
- ✦ Capital projects and equipment costs are budgeted at projected acquisition or construction cost based on preliminary estimates, reflecting increased construction costs from the prior biennium.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for those with an interest in the government's finances. Questions concerning any of the information provided in this report should be addressed to the Finance Director at P.O. Box 3040, Oregon City, Oregon 97045-0304.

BASIC FINANCIAL STATEMENTS

CITY OF OREGON CITY, OREGON
STATEMENT OF NET POSITION
JUNE 30, 2024

	Governmental Activities	Business-type Activities	Totals
ASSETS			
Cash and cash equivalents	\$ 83,145,915	\$ 29,499,325	\$ 112,645,240
Accounts receivable, net of allowance	2,452,553	5,321,803	7,774,356
Property taxes receivable	659,448	-	659,448
Assessment liens receivable	2,550,077	51,869	2,601,946
Lease receivable	179,770	475,668	655,438
Settlement receivable	665,947	-	665,947
Note receivable	100,000	-	100,000
Interest receivable	359	4,878	5,237
Inventories	-	330,779	330,779
Other post employment benefit asset	450,742	98,808	549,550
Other assets	595,498	8,544	604,042
Investment in South Fork Water Board	-	13,708,016	13,708,016
Non-depreciable capital and subscription assets	16,376,374	10,121,231	26,497,605
Capital assets, net of depreciation	161,833,300	91,538,279	253,371,579
Lease assets, net of amortization	90,937	403,908	494,845
Subscription assets, net of amortization	661,351	76,961	738,312
Total Assets	269,762,271	151,640,069	421,402,340
DEFERRED OUTFLOWS OF RESOURCES			
Deferred resources related to pensions	7,083,049	1,552,687	8,635,736
Deferred resources related to other benefits	1,278,723	280,310	1,559,033
Total Deferred Outflows of Resources	8,361,772	1,832,997	10,194,769
LIABILITIES			
Accounts payable	2,247,987	2,304,186	4,552,173
Accrued payroll liabilities	983,927	199,282	1,183,209
Deposits payable	1,280,442	242,220	1,522,662
Accrued interest payable	81,981	5,819	87,800
Unearned revenue	646,918	-	646,918
Noncurrent liabilities:			
Due within one year:			
Bonds payable	2,528,794	-	2,528,794
Accrued compensated absences	259,931	54,872	314,803
Lease payable	8,392	87,692	96,084
Subscription payable	228,121	31,125	259,246
Due in more than one year:			
Bonds payable, net of unamortized premium	19,549,510	-	19,549,510
Accrued compensated absences	1,039,730	219,488	1,259,218
Lease payable	87,183	267,900	355,083
Subscription payable	159,933	37,224	197,157
Net pension liability	22,674,588	4,970,536	27,645,124
Other post employment benefit liability	9,327,851	2,044,775	11,372,626
Total Liabilities	61,105,288	10,465,119	71,570,407
DEFERRED INFLOWS OF RESOURCES			
Deferred resources related to leases	228,689	467,803	696,492
Deferred resources related to pensions	1,964,963	430,742	2,395,705
Deferred resources related to other benefits	3,293,414	721,955	4,015,369
Total Deferred Inflows of Resources	5,487,066	1,620,500	7,107,566
NET POSITION			
Net investment in capital assets	161,318,410	100,349,927	261,668,337
Restricted for:			
Enhancement grants	557,322	-	557,322
Tourism	990,602	-	990,602
Parks and recreation	7,681,045	-	7,681,045
Urban renewal	9,641,766	-	9,641,766
Public safety	278,160	-	278,160
Public works	31,505,684	-	31,505,684
Library	3,138,284	-	3,138,284
Building operations	5,565,368	-	5,565,368
OPEB benefits	450,742	98,808	549,550
Unrestricted	(9,595,694)	40,938,712	31,343,018
Total Net Position	\$ 211,531,689	\$ 141,387,447	\$ 352,919,136

The notes to the financial statements are an integral part of this statement

CITY OF OREGON CITY, OREGON

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2024

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			and Changes in Net Position		
		Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Totals
Governmental activities:							
General government	\$ 10,716,020	\$ 3,908,561	\$ 615,646	\$ -	\$ (6,191,813)	\$ -	\$ (6,191,813)
Public safety	13,013,336	2,073,352	201,156	-	(10,738,828)	-	(10,738,828)
Public works	8,790,708	4,245,162	3,409,218	3,810,334	2,674,006	-	2,674,006
Culture and recreation	9,112,168	1,408,344	3,274,680	175,843	(4,253,301)	-	(4,253,301)
Community development	4,259,193	3,310,093	178	9,000	(939,922)	-	(939,922)
Interest on long-term debt	936,726	-	-	-	(936,726)	-	(936,726)
Total Governmental activities	46,828,151	14,945,512	7,500,878	3,995,177	(20,386,584)	-	(20,386,584)
Business-type activities:							
Water	8,121,871	10,617,613	968,583	179,894	-	3,644,219	3,644,219
Wastewater	12,539,985	13,388,938	1,855,121	318,986	-	3,023,060	3,023,060
Stormwater	4,088,225	3,974,071	943	218,555	-	105,344	105,344
Fleet	948,762	517,905	14,397	-	-	(416,460)	(416,460)
Interest on long-term debt	8,484	-	-	-	-	(8,484)	(8,484)
Total Business-type activities	25,707,327	28,498,527	2,839,044	717,435	-	6,347,679	6,347,679
Total Activities	\$ 72,535,478	\$ 43,444,039	\$ 10,339,922	\$ 4,712,612	(20,386,584)	6,347,679	(14,038,905)
General revenues:							
Property taxes					17,274,465	-	17,274,465
Franchise taxes					4,683,625	354,977	5,038,602
Intergovernmental revenues not restricted for specific purposes					1,261,868	-	1,261,868
Unrestricted investment earnings					3,649,378	1,306,314	4,955,692
Gain/(loss) on sale of assets					(60,907)	1,982	(58,925)
Miscellaneous					3,551,330	167,645	3,718,975
Total General revenues					30,359,759	1,830,918	32,190,677
Transfers					(37,558)	37,558	-
Change in net position					9,935,617	8,216,155	18,151,772
Beginning net position					201,596,072	133,171,292	334,767,364
Ending net position					\$ 211,531,689	\$ 141,387,447	\$ 352,919,136

The notes to the financial statements are an integral part of this statement

CITY OF OREGON CITY, OREGON
BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2024

	General	Engineering	System Development	Urban Renewal	Transportation	Community Facilities	Nonmajor Governmental Funds	Total
ASSETS								
Cash and cash equivalents	\$ 16,341,461	\$ 1,456,948	\$ 31,205,476	\$ 9,615,045	\$ 4,575,505	\$ 5,292,720	\$ 14,658,760	\$ 83,145,915
Receivables:								
Accounts (net)	1,114,474	6	290,492	4,231	857,600	182,460	3,290	2,452,553
Property taxes	611,283	-	-	48,165	-	-	-	659,448
Assessment liens	-	-	2,550,077	-	-	-	-	2,550,077
Settlement	665,947	-	-	-	-	-	-	665,947
Lease	34,972	-	64,302	80,496	-	-	-	179,770
Notes	100,000	-	-	-	-	-	-	100,000
Interest	9	-	161	189	-	-	-	359
Prepays and deposits	149,841	-	96,804	1,803	345,418	-	1,632	595,498
TOTAL ASSETS	\$ 19,017,987	\$ 1,456,954	\$ 34,207,312	\$ 9,749,929	\$ 5,778,523	\$ 5,475,180	\$ 14,663,682	\$ 90,349,567
LIABILITIES								
Accounts payable	\$ 879,394	\$ 34,874	\$ 447,027	\$ 23,132	\$ 702,642	\$ -	\$ 160,918	\$ 2,247,987
Accrued payroll	735,174	30,880	-	-	62,362	-	155,511	983,927
Deposits payable	265,408	715,968	46,192	1,800	251,074	-	-	1,280,442
Unearned revenue	641,735	-	-	5,183	-	-	-	646,918
TOTAL LIABILITIES	2,521,711	781,722	493,219	30,115	1,016,078	-	316,429	5,159,274
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue	586,709	-	2,507,295	40,954	-	-	-	3,134,958
Unavailable revenue, settlement	625,653	-	-	-	-	-	-	625,653
Unavailable revenue, leases	92,514	-	59,930	76,245	-	-	-	228,689
Total Deferred Inflows of Resources	1,304,876	-	2,567,225	117,199	-	-	-	3,989,300
FUND BALANCES								
Nonspendable:								
Prepays and deposits	149,841	-	96,804	1,803	345,418	-	1,632	595,498
Restricted:								
Enhancement grants	557,322	-	-	-	-	-	-	557,322
Tourism	990,602	-	-	-	-	-	-	990,602
Parks and recreation	-	-	7,300,355	-	-	-	766,376	8,066,731
Library	-	-	-	-	-	633,379	4,712,368	5,345,747
Building operations	-	-	-	-	-	-	7,399,760	7,399,760
Public safety	278,160	-	-	-	-	-	-	278,160
Public works	-	-	23,749,709	-	4,280,213	3,040,840	-	31,070,762
Urban renewal projects	-	-	-	9,600,812	-	-	-	9,600,812
Committed:								
Pavement maintenance	-	-	-	-	136,814	-	-	136,814
Engineering operations	-	675,232	-	-	-	-	-	675,232
Planning operations	-	-	-	-	-	-	620,447	620,447
Debt service	-	-	-	-	-	-	846,670	846,670
Assigned:								
Police facilities	-	-	-	-	-	557,081	-	557,081
General government facilities	-	-	-	-	-	1,243,880	-	1,243,880
Unassigned	13,215,475	-	-	-	-	-	-	13,215,475
TOTAL FUND BALANCES	15,191,400	675,232	31,146,868	9,602,615	4,762,445	5,475,180	14,347,253	81,200,993
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 19,017,987	\$ 1,456,954	\$ 34,207,312	\$ 9,749,929	\$ 5,778,523	\$ 5,475,180	\$ 14,663,682	\$ 90,349,567

The notes to the financial statements are an integral part of this statement

CITY OF OREGON CITY, OREGON**RECONCILIATION OF BALANCE SHEET – GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION****JUNE 30, 2024****RECONCILIATION TO THE STATEMENT OF NET POSITION**

Fund Balances - Combined Balance Sheet	\$ 81,200,993
The Statement of Net Position reports receivables at their net realizable value. However, receivables not available to pay for current period expenditures are deferred in governmental funds.	3,760,611
Capital assets are not financial resources in governmental funds, but are reported in the Statement of Net Position at their net depreciable value.	
Cost	249,036,795
Accumulated depreciation	(70,827,121)
Intangible lease assets are not financial resources in governmental funds, but are reported in the Statement of Net Position at their net depreciable value.	
Cost	119,339
Accumulated depreciation	(28,402)
Intangible subscription assets are not financial resources in governmental funds, but are reported in the Statement of Net Position at their net depreciable value.	
Cost	1,091,797
Accumulated depreciation	(430,446)
All liabilities are reported in the Statement of Net Position. However, if they are not due and payable in the current period, they are not recorded in governmental funds.	
Compensated absences payable	(1,299,661)
Other post employment benefits	(8,877,109)
Deferred inflows related to other post employment benefits	(3,293,414)
Deferred outflows related to other post employment benefits	1,278,723
Accrued interest payable	(81,981)
Long-term debt payable	(22,078,304)
Leases payable	(95,575)
Subscriptions payable	(388,054)
Net pension liability	(22,674,588)
Deferred inflows related to pensions	(1,964,963)
Deferred outflows related to pensions	7,083,049
Net Position of Governmental Activities	<u>\$ 211,531,689</u>

The notes to the financial statements are an integral part of this statement

CITY OF OREGON CITY, OREGON

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS YEAR ENDED JUNE 30, 2024

	General	Engineering	System Development	Urban Renewal	Transportation	Community Facilities	Other Governmental Funds	Total
REVENUES								
Property taxes	\$ 17,186,505	\$ -	\$ -	\$ 38,783	\$ -	\$ -	\$ -	\$ 17,225,288
Franchise taxes	4,683,625	-	-	-	-	-	-	4,683,625
Assessments and other taxes	604,490	-	-	14,585	-	-	-	619,075
Licenses and permits	167,834	118,102	-	-	-	-	2,346,152	2,632,088
Charges for services	4,070,977	743,834	-	134,728	3,383,225	1,240,663	969,241	10,542,668
System development charges	-	-	763,294	-	-	-	-	763,294
Intergovernmental	2,173,253	21	1,542,164	-	3,675,350	-	2,878,380	10,269,168
Fines and forfeitures	1,183,421	-	-	-	-	22,626	-	1,206,047
Interest income	826,164	64,597	1,223,053	536,250	191,920	195,206	618,732	3,655,922
Miscellaneous	563,578	2,195	683,219	7,003	13,898	3,267	1,673,787	2,946,947
TOTAL REVENUES	31,459,847	928,749	4,211,730	731,349	7,264,393	1,461,762	8,486,292	54,544,122
EXPENDITURES								
General government	9,002,374	-	-	401,181	-	-	-	9,403,555
Public safety	12,892,962	-	-	-	-	-	-	12,892,962
Public works	-	1,122,021	216,112	-	3,611,444	-	-	4,949,577
Culture and recreation	5,086,250	-	58,503	-	-	-	2,631,903	7,776,656
Community development	-	-	-	-	-	-	3,588,710	3,588,710
Debt service								
Principal	336,168	-	-	-	948	-	2,277,521	2,614,637
Interest	11,348	-	-	-	533	-	1,009,897	1,021,778
Capital outlay								
General government	927,677	-	-	-	-	-	-	927,677
Public safety	10,005	-	-	-	-	-	-	10,005
Public works	-	-	2,774,940	-	3,617,300	-	-	6,392,240
Culture and recreation	339,867	-	-	-	-	53,866	-	393,733
Community development	-	-	-	-	-	-	84,906	84,906
TOTAL EXPENDITURES	28,606,651	1,122,021	3,049,555	401,181	7,230,225	53,866	9,592,937	50,056,436
REVENUES OVER (UNDER) EXPENDITURES	2,853,196	(193,272)	1,162,175	330,168	34,168	1,407,896	(1,106,645)	4,487,686
OTHER FINANCING SOURCES (USES)								
Transfers in	-	50,000	-	-	191,148	1,295,000	1,720,500	3,256,648
Subscription financing	355,983	-	-	-	-	-	-	355,983
Transfers out	(1,232,148)	(51,000)	-	-	(533,000)	(1,104,500)	(54,000)	(2,974,648)
TOTAL OTHER FINANCING SOURCES (USES)	(876,165)	(1,000)	-	-	(341,852)	190,500	1,666,500	637,983
NET CHANGE IN FUND BALANCE	1,977,031	(194,272)	1,162,175	330,168	(307,684)	1,598,396	559,855	5,125,669
FUND BALANCE, beginning of year, as previously reported	13,940,452	869,504	29,984,693	9,272,447	5,070,129	3,876,784	13,061,315	76,075,324
Adjustment - movement of continuing operations	(726,083)	-	-	-	-	-	726,083	-
FUND BALANCE, beginning of year, as adjusted	13,214,369	869,504	29,984,693	9,272,447	5,070,129	3,876,784	13,787,398	76,075,324
FUND BALANCE, end of year	\$ 15,191,400	\$ 675,232	\$ 31,146,868	\$ 9,602,615	\$ 4,762,445	\$ 5,475,180	\$ 14,347,253	\$ 81,200,993

The notes to the financial statements are an integral part of this statement

CITY OF OREGON CITY, OREGON

RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

Net Change in Fund Balances - Total Governmental Funds	\$ 5,125,669
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds defer revenues that do not provide current financial resources. However, the Statement of Activities recognizes such revenues at their net realizable value when earned, regardless of when received.	1,994,262
Governmental funds do not report expenditures that do not require the use of current financial resources. However, the Statement of Activities reports such expenses when incurred, regardless of when settlement ultimately occurs.	
Accrued compensated absences	(108,688)
Accrued interest payable	7,944
Changes in pension liabilities and related deferred outflows and inflows of resources	(652,344)
Changes in OPEB liabilities and related deferred outflows and inflows of resources	(70,130)
Capital outlays are reported as expenditures in governmental funds. However, the Statement of Activities allocates the cost of capital outlay over their estimated useful lives as depreciation expense.	
Capital outlay expenditures	7,427,601
Depreciation	(6,053,983)
Contribution and transfers of capital assets	98,658
Lease amortization	(9,564)
Subscriptions	380,961
Subscription amortization	(385,251)
The net effect of transactions involving capital assets (i.e. sales, trade-ins, lease and SBITA terminations) is to decrease/increase net position	(155,281)
Proceeds from the issuance of long-term debt provide current financial resources to governmental funds and are reported as revenues. In the same way, repayments of long-term debt use current financial resources and are reported as expenditures in governmental funds. However, neither the receipt of debt proceeds nor the payment of debt principal affect the Statement of Activities, but are reported as increases and decreases in noncurrent liabilities in the Statement of Net Position.	
Amortization of premium on bonds issued	77,109
Subscription financing	(355,983)
Debt principal paid	2,277,521
Lease financing principal paid	7,913
Subscription financing principal paid	329,203
Change in Net Position of Governmental Activities	<u>\$ 9,935,617</u>

The notes to the financial statements are an integral part of this statement

CITY OF OREGON CITY, OREGON
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
JUNE 30, 2024

	Water	Wastewater	Stormwater	Total Enterprise Funds	Total Internal Service Funds	Total Proprietary Funds
ASSETS						
Current Assets						
Cash and cash equivalents	\$ 5,817,173	\$ 11,695,850	\$ 3,348,672	\$ 20,861,695	\$ 8,637,630	\$ 29,499,325
Accounts receivable, net of allowance	1,285,918	3,360,593	616,484	5,262,995	58,808	5,321,803
Assessment liens receivable	-	51,869	-	51,869	-	51,869
Lease receivable, current portion	62,141	-	-	62,141	-	62,141
Interest receivable	4,878	-	-	4,878	-	4,878
Inventories	289,913	-	-	289,913	40,866	330,779
Prepays and deposits	-	-	-	-	8,544	8,544
Total Current Assets	7,460,023	15,108,312	3,965,156	26,533,491	8,745,848	35,279,339
Noncurrent Assets						
Investment in South Fork Water Board	13,708,016	-	-	13,708,016	-	13,708,016
Lease receivable	413,527	-	-	413,527	-	413,527
Nondepreciable capital assets	2,376,461	6,567,083	1,177,687	10,121,231	-	10,121,231
Capital assets, net of depreciation	46,131,536	25,282,717	17,792,007	89,206,260	2,332,019	91,538,279
Lease assets, net of amortization	16,583	16,583	16,583	49,749	354,159	403,908
Subscription assets, net of amortization	-	-	-	-	76,961	76,961
OPEB Asset	33,789	22,969	26,766	83,524	15,284	98,808
Total Noncurrent Assets	62,679,912	31,889,352	19,013,043	113,582,307	2,778,423	116,360,730
Total Assets	70,139,935	46,997,664	22,978,199	140,115,798	11,524,271	151,640,069
DEFERRED OUTFLOWS OF RESOURCES						
Deferred resources related to pensions	530,963	360,940	420,605	1,312,508	240,179	1,552,687
Deferred resources related to OPEB	95,856	65,161	75,933	236,950	43,360	280,310
Total Deferred Outflows of Resources	626,819	426,101	496,538	1,549,458	283,539	1,832,997
LIABILITIES						
Current Liabilities						
Accounts payable	861,967	1,156,383	130,386	2,148,736	155,450	2,304,186
Accrued payroll liabilities	68,077	42,184	56,785	167,046	32,236	199,282
Accrued interest payable	43	43	43	129	5,690	5,819
Deposits payable	73,890	-	168,330	242,220	-	242,220
Current portion of long-term liabilities:						
Lease payable	978	978	978	2,934	84,758	87,692
Subscription payable	-	-	-	-	31,125	31,125
Accrued compensated absences	21,477	12,463	13,932	47,872	7,000	54,872
Total Current Liabilities	1,026,432	1,212,051	370,454	2,608,937	316,259	2,925,196
Noncurrent Liabilities						
Lease payable	16,264	16,264	16,264	48,792	219,108	267,900
Subscription payable	-	-	-	-	37,224	37,224
Accrued compensated absences	85,907	49,850	55,729	191,486	28,002	219,488
Net pension liability	1,699,743	1,155,458	1,346,461	4,201,662	768,874	4,970,536
OPEB liability	699,239	475,331	553,906	1,728,476	316,299	2,044,775
Total Noncurrent Liabilities	2,501,153	1,696,903	1,972,360	6,170,416	1,369,507	7,539,923
Total Liabilities	3,527,585	2,908,954	2,342,814	8,779,353	1,685,766	10,465,119
DEFERRED INFLOWS OF RESOURCES						
Deferred resources related to leases	467,803	-	-	467,803	-	467,803
Deferred resources related to pensions	147,298	100,131	116,683	364,112	66,630	430,742
Deferred resources related to OPEB	246,882	167,827	195,569	610,278	111,677	721,955
Total Deferred Inflows of Resources	861,983	267,958	312,252	1,442,193	178,307	1,620,500
NET POSITION:						
Net investment in capital assets	47,910,351	31,224,611	18,918,782	98,053,744	2,296,183	100,349,927
Restricted for:						
OPEB benefits	33,789	22,969	26,766	83,524	15,284	98,808
Unrestricted	18,433,046	12,999,273	1,874,123	33,306,442	7,632,270	40,938,712
Total Net Position	\$ 66,377,186	\$ 44,246,853	\$ 20,819,671	\$ 131,443,710	\$ 9,943,737	\$ 141,387,447

The notes to the financial statements are an integral part of this statement

CITY OF OREGON CITY, OREGON
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION – PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2024

	Water	Wastewater	Stormwater	Total Enterprise Funds	Total Internal Service Funds	Total Proprietary Funds
OPERATING REVENUES						
Charges for services	\$ 8,986,163	\$ 13,388,938	\$ 3,974,071	\$ 26,349,172	\$ 2,149,356	\$ 28,498,528
Miscellaneous	26,565	18,718	40,843	86,126	80,184	166,310
Total Operating Revenues	9,012,728	13,407,656	4,014,914	26,435,298	2,229,540	28,664,838
OPERATING EXPENSES						
Personnel services	1,807,643	1,531,206	1,822,586	5,161,435	831,192	5,992,627
Materials and services	4,548,310	8,911,220	1,561,685	15,021,215	1,214,892	16,236,107
Depreciation and amortization	1,266,005	1,299,553	469,577	3,035,135	433,638	3,468,773
Total Operating Expenses	7,621,958	11,741,979	3,853,848	23,217,785	2,479,722	25,697,507
OPERATING INCOME (LOSS)	1,390,770	1,665,677	161,066	3,217,513	(250,182)	2,967,331
NONOPERATING REVENUES (EXPENSES)						
Franchise taxes	-	354,977	-	354,977	-	354,977
System development revenue pass through	39,794	237,605	-	277,399	-	277,399
Intergovernmental	1,041	1,855,121	943	1,857,105	14,397	1,871,502
Investment revenue	276,783	541,626	130,344	948,753	357,561	1,306,314
Interest expense	(531)	(531)	(531)	(1,593)	(6,891)	(8,484)
Increase in equity of South Fork Water Board	967,541	-	-	967,541	-	967,541
Gain (loss) on sale of assets	-	-	-	-	1,982	1,982
Total Nonoperating Revenues (Expenses)	1,284,628	2,988,798	130,756	4,404,182	367,049	4,771,231
NET INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	2,675,398	4,654,475	291,822	7,621,695	116,867	7,738,562
Capital contributions	435,517	81,380	242,696	759,593	-	759,593
Transfers in	-	-	-	-	1,392,000	1,392,000
Transfers out	(644,000)	(575,000)	(452,000)	(1,671,000)	(3,000)	(1,674,000)
CHANGE IN NET POSITION	2,466,915	4,160,855	82,518	6,710,288	1,505,867	8,216,155
Beginning net position	63,910,271	40,085,998	20,737,153	124,733,422	8,437,870	133,171,292
Ending net position	<u>\$ 66,377,186</u>	<u>\$ 44,246,853</u>	<u>\$ 20,819,671</u>	<u>\$ 131,443,710</u>	<u>\$ 9,943,737</u>	<u>\$ 141,387,447</u>

The notes to the financial statements are an integral part of this statement

CITY OF OREGON CITY, OREGON
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2024

	Water	Wastewater	Stormwater	Total Enterprise Funds	Total Internal Service Funds	Total Proprietary Funds
CASH FLOWS FROM OPERATING ACTIVITIES						
Collected from customers	\$ 9,188,179	\$ 12,587,750	\$ 3,918,471	\$ 25,694,400	\$ 2,148,565	\$ 27,842,965
Other receipts	26,565	18,718	40,843	86,126	80,184	166,310
Paid to suppliers	(5,332,925)	(9,252,639)	(1,591,946)	(16,177,510)	(1,380,394)	(17,557,904)
Paid to employees	(1,863,018)	(1,364,068)	(1,445,226)	(4,672,312)	(845,546)	(5,517,858)
Net cash provided by (used in) operating activities	2,018,801	1,989,761	922,142	4,930,704	2,809	4,933,513
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES						
Cash receipts from taxes	-	354,977	-	354,977	-	354,977
Net cash provided by (used in) non-capital financing activities	-	354,977	-	354,977	-	354,977
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition of capital assets	(2,861,088)	(5,353,766)	(346,813)	(8,561,667)	(1,405,952)	(9,967,619)
Transfers in	-	-	-	-	1,392,000	1,392,000
Transfers out	(644,000)	(575,000)	(452,000)	(1,671,000)	(3,000)	(1,674,000)
Proceeds from disposal of capital assets	1,334	-	-	1,334	110,325	111,659
Principal paid on leases	(948)	(948)	(948)	(2,844)	(134,921)	(137,765)
Interest paid on leases	(533)	(533)	(533)	(1,599)	(4,588)	(6,187)
Intergovernmental	1,041	1,855,121	943	1,857,105	14,397	1,871,502
System development pass through revenue	39,794	237,605	-	277,399	-	277,399
Net cash provided by (used in) capital and related financing activities	(3,464,400)	(3,837,521)	(799,351)	(8,101,272)	(31,739)	(8,133,011)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest on cash equivalents	278,481	543,949	130,783	953,213	358,604	1,311,817
Increase in cash and cash equivalents	(1,167,118)	(948,834)	253,574	(1,862,378)	329,674	(1,532,704)
CASH AND CASH EQUIVALENTS, Beginning of year	6,984,291	12,644,684	3,095,098	22,724,073	8,307,956	31,032,029
CASH AND CASH EQUIVALENTS, End of year	\$ 5,817,173	\$ 11,695,850	\$ 3,348,672	\$ 20,861,695	\$ 8,637,630	\$ 29,499,325
RECONCILIATION OF OPERATING INCOME TO CASH FLOWS FROM OPERATING ACTIVITIES						
Operating income (loss)	\$ 1,390,770	\$ 1,665,677	\$ 161,066	\$ 3,217,513	\$ (250,182)	\$ 2,967,331
Depreciation and amortization	1,266,005	1,299,553	469,577	3,035,135	433,638	3,468,773
<i>Change in assets and liabilities:</i>						
Accounts receivable	261,340	(801,188)	(55,600)	(595,448)	(34,171)	(629,619)
Inventory	(21,945)	-	-	(21,945)	(40,866)	(62,811)
Prepays and deposits	-	-	-	-	(8,544)	(8,544)
Accounts payable and accrued liabilities	(748,063)	(346,758)	(18,534)	(1,113,355)	(86,082)	(1,199,437)
Net pension liability	252,738	316,373	476,839	1,045,950	127,905	1,173,855
Net OPEB asset/liability	(9,319)	61,079	121,617	173,377	2,117	175,494
Deferred outflows	73,875	(19,785)	(75,435)	(21,345)	26,843	5,498
Deferred inflows	(446,600)	(185,190)	(157,388)	(789,178)	(167,849)	(957,027)
Net cash provided by (used in) operating activities	\$ 2,018,801	\$ 1,989,761	\$ 922,142	\$ 4,930,704	\$ 2,809	\$ 4,933,513
NONCASH INVESTING, CAPITAL AND RELATED FINANCING ACTIVITIES						
Increase in equity of South Fork Water Board	\$ 967,541	\$ -	\$ -	\$ 967,541	\$ -	\$ 967,541
Lease and subscription liability activity	-	-	-	-	316,220	316,220
Lease and subscription asset activity	-	-	-	-	(316,220)	(316,220)
Capital contributions	435,517	81,380	242,696	759,593	-	759,593
	\$ 1,403,058	\$ 81,380	\$ 242,696	\$ 1,727,134	\$ -	\$ 1,727,134

The notes to the financial statements are an integral part of this statement

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Oregon City, Oregon (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). GAAP statements require the application of all relevant Governmental Accounting Standards Board (GASB) pronouncements. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting standards.

A. The Financial Reporting Entity

The City of Oregon City, Oregon is a municipal corporation governed by an elected mayor and four commission members who comprise the City Commission. The City Commission exercises supervisory responsibilities over the City operations, but day-to-day management control is the responsibility of a city manager. All significant activities and organizations for which the City is financially accountable are included in the financial statements for the year ended June 30, 2024.

In defining the City of Oregon City for financial reporting purposes, management considers: all funds, organizations, institutions, agencies, departments, and offices that are legally part of the City (the primary government) and organizations for which the City is financially accountable. As defined by accounting principles generally accepted in the United States of America, the financial reporting entity consists of the primary government, as well as its component units. Component units can be defined as legally separate entities for which the City is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government.

Based on component unit criteria, the City of Oregon City's financial statements include the Oregon City Urban Renewal Agency as a blended component unit. The City Commission and Board of Directors of Oregon City Urban Renewal Agency are composed of the same individuals. Additionally, management of the City manages the activities of the component unit in the same manner as it manages its own activities. The separately issued financial statements of the Oregon City Urban Renewal Agency may be obtained from the Agency at 625 Center Street, Oregon City, Oregon 97045.

There are certain governmental agencies and various service districts which provide services within the City. These agencies have independently elected governing boards and the City is not financially accountable for these organizations. Therefore, financial information for these agencies is not included in the accompanying basic financial statements.

B. Basic Financial Statements

Basic financial statements are presented at both the government-wide and fund financial level. Both levels of statements categorize primary activities as either governmental or business-type. Governmental activities, which are normally supported by taxes and intergovernmental revenues are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

Government-wide financial statements (i.e., the statement of net position and the statement of activities) display information about the reporting government, the primary government and its component units. These statements focus on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. All fiduciary activities are excluded from the government-wide statements and are reported only in fund financial statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

The City has interfund activity. Any residual balances outstanding at year end from such activity are reported as due from/to other funds. While these balances are reported in fund financial statements, eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Exceptions to this rule include certain services provided between funds at market or near-market rates, which are treated as revenues and expenses. Elimination of these charges would distort the direct costs and program revenues reported for the various functions.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

The City does not currently use an indirect cost allocation system. Administrative service fees are charged by the General Fund and the Community Development Fund to the other operating funds for services provided (e.g. general administration, financial services, geographic information systems, etc.) and are included as direct program expenses.

Fund financial statements display information at the individual fund level. Each fund is considered to be a separate accounting entity. Funds are classified and summarized as governmental, proprietary or fiduciary. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. Currently, the City has general, special revenue, internal service, capital projects, debt service and enterprise type funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Nonmajor funds are consolidated into a single column within each fund type in the financial section of the basic financial statements and are detailed in the other supplementary information.

C. Basis of Presentation

The financial transactions of the City are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, reserves, fund equity, revenues, and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

There are stated minimum criteria for the determination of major funds: percentage of the assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses, of either fund category or the governmental and enterprise combined. The City electively presents funds as major funds which either have debt outstanding or specific community focus. Non-major funds are combined in a column in the fund financial statements and detailed in the combining and individual fund statements and schedules located in the other supplementary information section.

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2024

The City reports the following major governmental funds:

General Fund – The government’s primary operating fund accounts for the City’s legislative activities and administration, human resources, finance, information technology, police department, municipal court, and parks and recreation. The primary revenue sources are property taxes, franchise fees, fines and forfeitures, and intergovernmental revenues.

Engineering Fund – This fund is used to provide engineering review and construction monitoring for private development within the City. Licenses and permits are the primary revenue source.

System Development Fund – This fund accounts for the collection of transportation, water, wastewater, stormwater and parks development charges and their use for related capital projects.

Urban Renewal Fund – This fund accounts for the activity of the Urban Renewal Agency. Property taxes are the primary revenue source. Expenditures are primarily for urban renewal projects.

Transportation Fund – This fund is used to account for the use of state gas tax revenue and pavement maintenance charges for street-related purposes.

Community Facilities Fund – This fund accounts for money set aside for construction of city facilities including the expansion of the library and building of public safety and public works facilities; funded by transfers from other funds.

The City’s proprietary funds mainly account for the water, wastewater, and stormwater operations. The City reports the following major proprietary funds:

Water Fund – Accounts for the operation of the City’s water system. Customer charges are the primary revenue source.

Wastewater Fund – Accounts for the operation of the City’s sanitary sewer collection system. Customer charges are the primary revenue source along with franchise taxes charged to wastewater treatment providers operating in the area for the purpose of recovering costs incurred in providing services.

Stormwater Fund – Accounts for the operation of the City’s storm drain activity. Customer charges are the primary revenue source.

Additionally, the City reports nonmajor funds within the governmental fund types:

Special Revenue Funds – The special revenue funds account for revenue derived from specific tax or other earmarked revenue sources, including grants and funds set aside to finance particular functions or activities. Funds included in this category are:

Library Fund – This fund accounts for the operation of the library. Proceeds from the Clackamas County Library Levy are the primary revenue source.

Planning Fund – This fund accounts for personnel costs and other expenditures related to planning and development services. Licenses and charges for service are the primary revenue sources.

Park Donations Fund – This fund is used to account for donations and investment earnings designated for specific park related projects.

Building Fund – This fund is used to account for building inspection and related expenditures. Building permits are the primary revenue source.

Debt Service Funds

Debt Service Fund – The debt service fund is used to account for the accumulation of resources that are restricted, committed, or assigned for the payment of principal and interest on long-term obligations of governmental funds. During the current year, debt principal and interest for the Public Employee Retirement System Bonds and the Oregon City Full Faith and Credit Obligation Bonds were paid from the fund.

The City does not have any nonmajor enterprise funds. It does however report internal service funds within the proprietary fund types:

Internal Service Funds

The City has three internal service funds which provide services to other City departments, primarily the enterprise funds. Therefore, the internal service funds are combined with the enterprise funds in the government-wide financial statement. Internal charges are the primary revenue source of these funds. Expenditures are for the purposes as described below.

Fleet Service Fund – This fund accounts for the current operating costs of City owned vehicles.

Customer Service Fund – This fund accounts for the cost of providing utility billing services.

Equipment Replacement Fund – This fund accounts for accumulated resources to be used for vehicle and equipment replacement.

D. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe which transactions are recorded within the various financial statements. Basis of accounting refers to when transactions are recorded regardless of the measurement focus.

The government-wide and proprietary fund financial statements are accounted for using an economic resources measurement focus, whereby all assets and liabilities are included in the Statement of Net Position. The increases and decreases in the net position are presented in the government-wide Statement of Activities and in the proprietary fund Statement of Revenues, Expenses and Changes in Net Position.

These funds use the accrual basis of accounting whereby revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Amounts reported as program revenues in the Statement of Activities include (1) fines, fees and charges to customers or applicants for goods, services or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Grants and contributions not restricted are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Operating revenues and operating expenses are intermediate components within the proprietary fund Statement of Revenues, Expenses and Changes in Net Position, and include only those transactions that constitute their principal, ongoing activities exclusive of investing or financing transactions. Significant operating revenues include charges for services and miscellaneous income. Significant operating expenses include personnel, materials and supplies, outside services, and depreciation. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The governmental fund financial statements are accounted for using a current financial resources measurement focus, whereby only current assets and current liabilities generally are included in the balance sheet, and the statement of revenues, expenditures and changes in fund balances present increases and decreases in those net current assets. These funds use the modified accrual basis of accounting whereby revenues are recorded only when susceptible to accrual (both measurable and available). “Measurable” means that the amount of the transaction can be determined. “Available” is defined as being collectible within the current period or soon enough thereafter (60 days) to be used to liquidate liabilities of the current period. Expenditures other than interest on noncurrent obligations, are recorded when the fund liability is incurred.

Real and personal property taxes are levied as of July 1 for each fiscal year on values assessed as of January 1. Property taxes are an enforceable lien on both real and personal property as of July 1 and are due and payable in installments on November 15, February 15 and May 15. All property taxes are billed and collected by Clackamas County and remitted to the City. In the governmental fund financial statements, property taxes are reflected as revenues in the fiscal period for which they were levied, provided they are due, or past due and receivable within the current period, and collected within the current period or expected to be collected soon enough thereafter to be

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2024

used to pay liabilities of the current period (60 days). Otherwise, they are reported as unavailable revenues.

Intergovernmental revenues are recognized as revenues when all eligibility requirements are met. There are, however, essentially two types of intergovernmental revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, all eligibility requirements are determined to be met when the underlying expenditures are recorded. In the other, monies are virtually unrestricted as to the purpose of the expenditure and are usually revocable only for failure to comply with prescribed requirements; therefore, all eligibility requirements are determined to be met at the time of receipt, or earlier, if the susceptible accrual criteria are met.

Licenses and permits, charges for services, fines and forfeitures and miscellaneous revenues (except investment earnings) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available. Special assessments receivable and repayment of revolving loans are offset by deferred revenues.

Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is necessary to explain the adjustments needed to transform the fund based financial statements into the governmental column of the government-wide presentation. This reconciliation is part of the basic financial statements.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reporting amounts of certain assets, liabilities, deferred inflows and outflows, revenues and expenses. Actual results may differ from such estimates.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

Cash, Cash Equivalents and Investments

Cash and cash equivalents include cash on hand, demand deposits and short-term investments with original maturities of three months or less when purchased. Investments for the City, as well as for its component unit, are reported at fair value based on quoted market prices. Interest earned on cash and investments is allocated monthly based on each fund's average cash balance as a proportion of the City's total cash, cash equivalents and investments.

Receivables and Revenues

Receivables for state, county and local shared revenues, included in accounts receivable, are recorded as revenue in the governmental funds as earned.

For governmental fund types, property taxes receivable which have been collected within sixty days subsequent to year end are considered measurable and available and are recognized as revenues. All other property taxes receivable are offset by unavailable property tax revenues and, accordingly, have not been recorded as revenue. Property taxes receivable by the City represent the City's allocated share of delinquent property taxes and other amounts to be collected from property owners within Clackamas County, Oregon.

Assessment liens in the governmental fund types are recognized as receivables at the time property owners are assessed for property improvements. Assessments receivable which have been collected within sixty days subsequent to year end are considered measurable and available and are recognized as revenues. All other assessments receivable are offset by unavailable revenue and, accordingly, have not been recorded as revenue.

Lease receivables are recognized at the net present value of the leased assets, reduced by principal payments received. The net present value is calculated using a borrowing rate either explicitly described in the agreement or implicitly determined by the City.

Inventory and Prepaids

Inventory in the proprietary funds is stated at cost (first-in, first-out basis) and is charged to expense as used. The purchase method is used for inventory for governmental funds. In both government-wide and fund financial statements, certain payments to vendors reflect costs applicable to future City accounting periods and are recorded as prepaid expenses. The cost of these prepaid items is recorded as expenditures/expenses when consumed.

Capital Assets

Capital assets are stated at cost or estimated historical cost. Donated capital assets are reported at their acquisition value, that is the price that would be paid to acquire the asset. Estimated acquisition value of donated assets is determined based on engineering estimates of current cost or price indexed cost. Capital assets include land, right-of-way (included with land), buildings, improvements, equipment, infrastructure and other tangible and intangible assets costing over \$5,000 used in operations that have initial useful lives extending beyond a single reporting period. Infrastructure are those capital assets that are stationary in nature and can be preserved for a significantly greater number of years than most other capital assets. Infrastructure reported in governmental activities consists of roads, bridges, sidewalks and traffic and lighting systems. Infrastructure reported in business-type activities consists of water, stormwater and wastewater collection systems.

All capital assets, except for infrastructure in governmental activities prior to July 1, 1980, have been capitalized in the government-wide and proprietary fund financial statements. In accordance with the current financial resources measurement focus, capital assets are not capitalized in the governmental fund financial statements. Purchased capital assets are valued at cost when historical records are available and at estimated historical cost if no historical records exist. Historical cost is measured by the cash or cash equivalent price of obtaining an asset, including ancillary charges necessary to place the asset into its intended location and condition for use.

Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Amounts expended for maintenance and repairs are charged to expenditures/expenses in the appropriate funds as incurred and are not capitalized.

Capital assets are depreciated unless they are inexhaustible in nature (e.g., land and rights-of-way). Depreciation is an accounting process to allocate the cost of capital assets to expense in a systematic and rational manner to those periods expected to benefit from the use of capital assets. Depreciation is not intended to represent an estimate in the decline of fair market value, nor are capital assets, net of accumulated depreciation, intended to represent an estimate of the current condition of the assets, or the maintenance requirements needed to maintain the assets at their current level of condition.

Depreciation is computed over the estimated useful lives of the capital assets. All estimates of useful lives are based on actual experience by City departments with identical or similar capital assets. Depreciation is calculated on the straight-line basis, except for infrastructure and improvements other than buildings reported in the governmental activities column of the government-wide financial statements, which are calculated using a composite depreciation method. The estimated useful lives of the various categories of assets are as follows:

Buildings and improvements	40 years
Water and Sewer Infrastructure	20 – 50 years
Governmental Infrastructure	20 – 50 years
Equipment	10 – 20 years

Upon disposal of capital assets, cost and accumulated depreciation are removed from the accounts and, if appropriate, a gain or loss on the disposal is recognized.

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2024

Lease Assets

Lease assets are assets which the City leases for a term of more than one year. The value of leases are determined by the net present value of the leases at the City's incremental borrowing rate at the time of the lease agreement, amortized over the term of the agreement.

Subscription Assets

Subscription-based information technology arrangement (SBITA) assets are assets which the City contracts with a vendor that grants the right to use IT software for a term of more than one year. The value of subscriptions are determined by the net present value of the subscriptions at the City's incremental borrowing rate at the time of the subscription agreement, amortized over the term of the agreement.

Deferred Inflows/Outflows of Resources

In addition to assets, the statement of financial position will report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

The City reports deferred outflows of resources for both pension and other postemployment benefit (OPEB) related amounts: payments since the measurement date (MD), changes in assumptions, and for the difference between future payments of deferred revenues' projected and actual earnings. This amount is deferred and recognized as an outflow of resources in the period when the City's recognizes pension expense/expenditures. The City also reports the deferred charge on refunding as a deferred outflow of resources. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred over the shorter of the life of the refunded or refunding debt. Deferred outflows are included in the government-wide Statement of Net Position and the proprietary funds Statement of Net Position.

In addition to liabilities, the statement of financial position will report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

The governmental funds report unavailable revenues from property taxes, assessment liens, and investment income, as deferred inflows of resources. These items arise only under a modified accrual basis of accounting and accordingly, are reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

The City also reports deferred inflows of resources for both pension and OPEB-related amounts: differences between projected and actual investment earnings and changes in employer proportion and differences between employer contributions and the City's proportionate share of contributions. This amount is deferred and recognized as an inflow of resources in the period when the City's recognizes pension income. Deferred inflows are included in the government-wide Statement of Net Position and the proprietary funds Statement of Net Position.

The City also reports deferred inflows of resources for leases.

Long-Term Debt

Long-term debt directly related and expected to be paid from the enterprise funds is recorded in these funds. All other unmatured long-term debt is recorded on the Statement of Net Position. Repayment of general bonded debt will be made from debt service funds with the exception of the library bonds, which are expenses of the library fund. Payment of vacation liabilities will be made from all funds that have personnel expenses. Significant bond premiums, discounts, and amounts deferred on refunding are deferred and amortized over the applicable bond term. Issuance costs are reported as period costs in the year of issue. In the fund financial statements, governmental fund types recognize bond premiums, discounts, and issuance costs, as period costs in the year of issue. The face amount of debt issued and any related premium is reported as other financing sources.

Leases Payable

In the government-wide financial statements, leases payable are reported as liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of lease payments is reported as other financing sources which is determined at the time of the lease agreement.

Subscription Payable

In the government-wide financial statements, subscriptions payable are reported as liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of subscription payments is reported as other financing sources which is determined at the time of the subscription agreement.

Accrued Compensated Absences

Accumulated vested vacation pay, executive leave, floating holiday pay and compensatory time is accrued in the enterprise funds as it is earned by employees. In governmental fund types, the amounts, if any, expected to be liquidated with expendable available resources are accrued as liabilities of the funds and the amount payable from future resources is recorded on the Statement of Net Position. Sick pay, which does not vest, is recorded in all funds when leave is taken. Compensated absences payable are recorded as liabilities in the governmental funds only if they have matured (i.e., there are unpaid amounts still outstanding after an employee's termination). In the past, compensated absences and other postemployment benefits have been paid by the fund resulting in the underlying liability, or each fund that reports personnel expenses (General, Library, Building, Community Development, Engineering, Water, Wastewater, Stormwater funds.)

Postemployment Benefits Other Than Pensions (OPEB)

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB), the City's OPEB liability is recognized as a long-term liability in the government-wide financial statements and in the proprietary fund statements, the amount of which is actuarially determined. The annual required contribution is recognized on an accrual basis in accordance with actuarial standards. The General Fund liquidates the long-term portions of other postemployment benefits.

For purposes of measuring the net OPEB asset, OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's two separate plans, the Implicit Rate Subsidy and Oregon Public Employees Retirement Systems (PERS), and additions to/deductions from Implicit Rate Subsidy and PERS's fiduciary net position, have been determined on the same basis as they are reported by Implicit Rate Subsidy and PERS. For this purpose, Implicit Rate Subsidy and PERS recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Pension Liability – Oregon Public Employees Retirement System (PERS)

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the PERS and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The long-term portion of pension liabilities are expected to be paid in future years from future resources. In prior years, these liabilities have been liquidated primarily by the governmental and enterprise funds for which the employees who earned the benefits were assigned.

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2024

Net Position

In the government-wide financial statements and proprietary funds financial statements, net position is reported in three categories: net investment in capital assets; restricted net position; and unrestricted net position. Net investment in capital assets represents capital assets less accumulated depreciation less outstanding principal of related debt. Restricted net position represents net position restricted by parties outside of the City (such as creditors, grantors, contributors, laws, and regulations of other governments) and includes funds restricted for payment of debt or to acquire or construct capital assets. All other net position is considered unrestricted.

Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance

In the fund financial statements, the fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Governmental fund type fund balances are reported in the following classifications.

Nonspendable includes resources that cannot be spent because they are either in a nonspendable form or legally or contractually required to be maintained intact. Resources in nonspendable form include inventories, prepaids and deposits, and assets held for resale.

Restricted includes resources with constraints placed on their use either: (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed resources exist when the City Commission takes formal action such as adoption of an ordinance that places specific constraints on how the resources may be used. The City Commission can modify or rescind the commitment at any time through passage of an additional ordinance.

Assigned resources are constrained by the City's intent to use them for a specific purpose, but are neither restricted nor committed. Intent is expressed when the City Commission approves which resources should be "reserved" during the adoption of the budget. The City's Finance Director uses that information to determine whether those resources should be classified as assigned or unassigned for presentation in the City's Annual Comprehensive Financial Report.

Unassigned is the residual classification for the General Fund. This classification represents fund balance that has not been restricted, committed, or assigned within the General Fund. This classification is also used to report any negative fund balance amounts in other governmental funds.

Fund Balance Flow Assumptions

The City may fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which resources are considered to have been applied. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as needed. When components of restricted fund balance can be used for the same purpose, committed fund balance is depleted second, followed by assigned fund balance. Unassigned fund balance is applied last.

NOTE 2: DETAILED NOTES

A. Cash and Cash Equivalents

The City maintains a cash and cash equivalents pool that is available for use by all funds. Each fund's portion of the pool is displayed as part of cash and cash equivalents by type of activity on the Statement of Net Position. Cash and cash equivalents are comprised of the following at June 30, 2024:

Cash and cash equivalents

Petty cash	\$ 3,961
Deposits with financial institutions	42,785,432
Local Government Investment Pool	69,855,847
Total cash and cash equivalents	<u><u>\$ 112,645,240</u></u>

Deposits

Deposits with financial institutions consist primarily of bank demand deposits. The total book balance of deposits at year-end was \$42,785,432 and the bank balance was \$43,575,958. The difference is due to transactions in process.

Custodial Credit Risk – Deposits

There is a risk that in the event of a bank failure, deposits may not be returned. The City does not have a policy related to custodial credit risk. The City's bank balance deposits are secured by the Federal Depository Insurance Corporation (FDIC) for \$250,000. Deposits in excess of FDIC coverage are held at a qualified depository bank and collateralized in accordance with Oregon Revised Statute 295 through a multiple-institution collateral pool administered by the Oregon State Treasurer. In the event of a bank failure, the entire pool of collateral pledged by participating Oregon public fund banks is available to repay the deposits. As of June 30, 2024, \$43,325,958 of the City's bank balances were exposed to custodial credit risk as they were collateralized with securities held by the pledging financial institution's agent but not in the City's name.

Investments

Oregon Revised Statutes authorize the City to invest in general obligations of the United States and its agencies, certain obligations of specific states and their political subdivisions, time deposits, certificates of deposit, savings accounts, banker's acceptances, corporate indebtedness, repurchase agreements and the State of Oregon Local Government Investment Pool.

State of Oregon Local Government Investment Pool

The City invests in the Local Government Investment Pool (LGIP). The LGIP is not registered with the U.S. Securities and Exchange Commission as an investment company. Oregon Revised Statutes 294.805 to 294.895 and the Oregon Investment Council govern the LGIP's investment policies. The State Treasurer is the investment officer responsible for the funds, and investments are further governed by portfolio guidelines issued by the Oregon Short-Term Fund Board. The fair value of pool shares is equal to the City's proportionate position in the pool.

Balances in the State of Oregon LGIP are stated at fair value. Fair value is determined at the quoted market price, if available; otherwise the fair value is estimated based on the amount at which the investment could be exchanged in a current transaction between willing parties, other than a forced liquidation sale. The Oregon State Treasury administers the LGIP. The LGIP is an unrated, open-ended, no-load, diversified portfolio offered to any agency, political subdivision or public corporation of the state who by law is made the custodian of, or has control of, any fund. The LGIP is commingled with the State's short-term funds. To provide regulatory oversight, the Oregon Legislature established the Oregon Short-Term Fund Board and LGIP investments are approved by the Oregon Investment Council. The fair value of the City's position in the LGIP is the same as the value of the pool shares.

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2024

Interest Rate Risk

In accordance with Oregon Revised Statutes, the City manages its exposure to declines in fair value resulting from changes in interest rates by limiting the weighted average maturity of its investments to 18 months or the date of anticipated use of the funds, whichever period is shorter.

Credit Risk

The risk that issuers of debt securities will be unable to make scheduled payments exists to some degree for all debt securities. The City's investments in U.S. Agency Securities were rated AAA by Moody's Investor's Service and AA+ by Standard & Poor's at year-end. The Local Government Investment Pool is not rated.

Concentration of Credit Risk

To reduce the City's risk of loss that can result from not diversifying investments, the City's investment policy does not allow for investment in any one issuer that exceeds 5% of the City's total investments, with the exception of U.S. Treasuries, Agencies and Instrumentalities and the LGIP.

Custodial Risk – Investments

For an investment, this is the risk that, in the event of a failure of the counterparty, the City will not be able to recover the value of its investments or collateralized securities that are in the possession of an outside party. The City's investment policy limits the types of investments that may be held to those specified by Oregon Revised Statutes and does not allow securities to be held by a counterparty. The City's policy is in compliance with State statutes.

CITY OF OREGON CITY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2024

B. Receivables

Receivables at June 30, 2024, consisted of the following:

Governmental Activities	General	Engineering	System Development	Urban Renewal	Transportation	Community Facilities Capital Projects	Other Governmental Funds	Total
Accounts	\$ 1,114,474	\$ 6	\$ 290,492	\$ 4,231	\$ 873,212	\$ 186,940	\$ 3,290	\$ 2,472,645
Property taxes	611,283	-	-	48,165	-	-	-	659,448
Assessments	-	-	2,550,077	-	-	-	-	2,550,077
Settlement	665,947	-	-	-	-	-	-	665,947
Leases	34,972	-	64,302	80,496	-	-	-	179,770
Notes	100,000	-	-	-	-	-	-	100,000
Interest	9	-	161	189	-	-	-	359
Less: Allowance for uncollectibles	-	-	-	-	(15,612)	(4,480)	-	(20,092)
	<u>\$ 2,526,685</u>	<u>\$ 6</u>	<u>\$ 2,905,032</u>	<u>\$ 133,081</u>	<u>\$ 857,600</u>	<u>\$ 182,460</u>	<u>\$ 3,290</u>	<u>\$ 6,608,154</u>

Business-type Activities	Water	Wastewater	Stormwater	Internal Service	Total
Accounts	\$ 1,324,354	\$ 3,418,130	\$ 632,258	\$ 58,808	\$ 5,433,550
Assessments	-	51,869	-	-	51,869
Leases	475,668	-	-	-	475,668
Interest	4,878	-	-	-	4,878
Less: Allowance for uncollectibles	(38,436)	(57,537)	(15,774)	-	(111,747)
	<u>\$ 1,766,464</u>	<u>\$ 3,412,462</u>	<u>\$ 616,484</u>	<u>\$ 58,808</u>	<u>\$ 5,854,218</u>

Based on the payment schedule for special assessments receivable, approximately \$2,313,000 of the amount reported in governmental activities and approximately \$51,000 of the amount reported in business-type activities is not expected to be collected within the next year. Additionally, approximately \$66,000 of property taxes receivable and \$624,000 of settlement receivable are not expected to be collected within the next year. Based on the payment schedule for leases receivable, approximately \$67,000 in governmental activities and \$414,000 in business-type activities are not expected to be collected within the next year. The \$100,000 note receivable is not expected to be collected within the next year.

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2024

C. Lease Receivables

The City recognizes a lease receivable for the following contracts in which the City, acting as a lessor, grants a lessee the right to use an asset of the City.

Governmental Activities

The City has a five year lease, expiring in fiscal year 2027, for 2,044 square feet of space located at 624 Taylor Street. Inflows of resources from this lease are recorded in the System Development Fund. The City has a 53 month lease, expiring in fiscal year 2025, for property and submersible land located at 1701 Clackamette Drive. Inflows of resources from this lease are recorded in the General Fund.

The URA has a five-year lease, expiring in fiscal year 2026, for the premises located at 1757 Washington Street, and a two-year lease, expiring in fiscal year 2025, for a portion of the real property located at 1795 Washington Street. Inflows of resources from these two leases are recorded in the Urban Renewal Fund.

Business-Type Activities

The City has two twenty-year leases, expiring in fiscal year 2026 and fiscal year 2038 respectively, with cellular phone companies to lease space on the roof of Boynton Reservoir as a site for cellular antennas. The initial term of the leases are ten years with the option to extend the leases for an additional ten-year term. Inflows of resources from this lease are recorded in the Water Fund.

Lease receivables at June 30, 2024, consisted of the following:

	Outstanding June 30, 2023	Additions	Decrease	Outstanding June 30, 2024	Due Within One Year
Governmental Activities					
Facility Lease, issued January 1, 2022, interest rate at 3.00%, total annual principal and interest ranges from \$24,500 to \$27,375, due 2027	\$ 87,421	\$ -	\$ (23,118)	\$ 64,303	\$ 24,596
Facility Lease, issued June 1, 2021, interest rate at 2.96%, total annual principal and interest ranges from \$27,600 to \$30,000, due 2026	83,737	-	(27,901)	55,836	28,738
Facility Lease, issued January 1, 2021, interest rate at 2.50%, total annual principal and interest ranges from \$46,100 to \$47,300, due 2025	72,467	-	(47,807)	24,660	24,660
Facility Lease, issued May 1, 2023 retroactive to July 1, 2021, interest rate at 0.315%, total annual principal and interest ranges from \$84,000, due 2025	118,718	-	(83,747)	34,971	34,971
Total Governmental	\$ 362,343	\$ -	\$ (182,573)	\$ 179,770	\$ 112,965

CITY OF OREGON CITY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2024

	Outstanding June 30, 2023	Additions	Decrease	Outstanding June 30, 2024	Due Within One Year
Business-type Activities					
Boynton Reservoir Cell Tower, issued March 6, 2016, interest rate at 4.00%, total annual principal and interest \$18,000, due 2026	\$ 70,124	\$ -	\$ (33,660)	\$ 36,464	\$ 36,464
Boynton Reservoir Cell Tower, issued January 1, 2018, interest rate at 2.00%, total annual principal and interest \$30,000, due 2037	463,714	-	(24,510)	\$ 439,204	\$ 25,677
Total Business-type	\$ 533,838	\$ -	\$ (58,170)	\$ 475,668	\$ 62,141
Total lease receivables	\$ 896,181	\$ -	\$ (240,743)	\$ 655,438	\$ 175,104

Future maturities are as follows:

Fiscal Year Ending June 30,	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 112,965	\$ 3,066	\$ 62,141	\$ 10,243	\$ 175,106	\$ 13,309
2026	53,237	1,239	26,879	8,271	80,116	9,510
2027	13,568	119	28,120	7,733	41,688	7,852
2028	-	-	29,399	7,171	29,399	7,171
2029	-	-	30,719	6,583	30,719	6,583
2030-2034	-	-	174,859	23,140	174,859	23,140
2035-2038	-	-	123,551	5,008	123,551	5,008
	\$ 179,770	\$ 4,424	\$ 475,668	\$ 68,149	\$ 655,438	\$ 72,573

Deferred inflow of resources mirrors the principal payment maturities described above.

The City has a five-year lease, expiring in FY 2027, with the Oregon Department of Transportation (ODOT), which grants a temporary easement over and across a portion of Jon Storm Park for a work area for construction purposes. There is no lease receivable or no interest revenue, associated with this lease as the lessee provided a lump sum payment for the entire lease in advance at the commencement of the lease. Deferred inflow related to leases from this lease is recorded in the General Fund.

CITY OF OREGON CITY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2024

D. Capital Assets

Activity for capital assets for the fiscal year ended June 30, 2024 is as follows:

Governmental Activities	Balance June 30, 2023	Increases	Reclasses	Decreases	Balance June 30, 2024
Non-depreciable/non-amortizable capital assets					
Land	\$ 13,295,346	\$ -	\$ -	\$ -	\$ 13,295,346
Construction in progress	2,961,279	6,464,452	(6,344,703)	-	3,081,028
Subscription implementation	221,556	-	(221,556)	-	-
Total non-depreciable/non-amortizable	16,478,181	6,464,452	(6,566,259)	-	16,376,374
Depreciable/amortizable capital assets					
Equipment	6,552,055	218,964	32,480	(886)	6,802,613
Buildings and improvements	57,955,351	199,867	1,249,614	-	59,404,832
Infrastructure	160,987,421	642,976	5,062,609	(240,030)	166,452,976
Intangible assets - land and easement leases	79,282	-	-	-	79,282
Intangible assets - infrastructure leases	40,057	-	-	-	40,057
Intangible assets - subscriptions	674,348	380,961	221,556	(185,068)	1,091,797
Total depreciable/amortizable	226,288,514	1,442,768	6,566,259	(425,984)	233,871,557
Accumulated depreciation/amortization					
Equipment	(5,060,531)	(407,472)	-	886	(5,467,117)
Buildings and improvements	(9,380,914)	(1,485,615)	-	-	(10,866,529)
Infrastructure	(50,416,583)	(4,160,903)	-	84,011	(54,493,475)
Intangible assets - land and easement leases	(14,264)	(7,246)	-	-	(21,510)
Intangible assets - infrastructure leases	(4,578)	(2,314)	-	-	(6,892)
Intangible assets - subscriptions	(194,210)	(385,251)	-	149,015	(430,446)
Total accumulated depreciation/amortization	(65,071,080)	(6,448,801)	-	233,912	(71,285,969)
Depreciable/amortizable capital assets, net	161,217,434	(5,006,033)	6,566,259	(192,072)	162,585,588
Governmental capital assets, net	\$ 177,695,615	\$ 1,458,419	\$ -	\$ (192,072)	\$ 178,961,962

CITY OF OREGON CITY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2024

Business-type Activities	Balance June 30, 2023	Increases	Reclasses	Decreases	Balance June 30, 2024
Non-depreciable/non-amortizable capital assets					
Land	\$ 2,742,070	\$ 55,282	\$ -	\$ -	2,797,352
Construction in progress	12,050,395	9,537,164	(14,262,345)	(1,335)	7,323,879
Total Non-depreciable/non-amortizable	14,792,465	9,592,446	(14,262,345)	(1,335)	10,121,231
Depreciable/amortizable capital assets					
Equipment	11,231,486	1,527,641	116,667	(441,370)	12,434,424
Buildings and improvements	22,560,044	218,555	929,513	-	23,708,112
Infrastructure	105,647,010	755,080	13,216,165	-	119,618,255
Intangible assets - equipment leases	163,971	316,220	-	(37,470)	442,721
Intangible assets - infrastructure leases	60,161	-	-	-	60,161
Intangible assets - subscriptions	149,958	-	-	-	149,958
Total depreciable/amortizable	139,812,630	2,817,496	14,262,345	(478,840)	156,413,631
Accumulated depreciation/amortization					
Equipment	(9,076,590)	(437,127)	-	331,045	(9,182,672)
Buildings and improvements	(6,352,859)	(478,403)	-	-	(6,831,262)
Infrastructure	(45,764,837)	(2,443,741)	-	-	(48,208,578)
Intangible assets - equipment leases	(41,856)	(68,483)	-	21,778	(88,561)
Intangible assets - infrastructure leases	(6,942)	(3,471)	-	-	(10,413)
Intangible assets - subscriptions	(35,449)	(37,548)	-	-	(72,997)
Total accumulated depreciation/amortization	(61,278,533)	(3,468,773)	-	352,823	(64,394,483)
Depreciable/amortizable capital assets, net	78,534,097	(651,277)	14,262,345	(126,017)	92,019,148
Business-type capital assets, net	<u>\$ 93,326,562</u>	<u>\$ 8,941,169</u>	<u>\$ -</u>	<u>\$ (127,352)</u>	<u>\$ 102,140,379</u>

Depreciation/amortization expense for the year was charged to each function as follows:

Governmental Activities

General government	\$ 788,511
Public safety	445,264
Public works	3,777,818
Culture and recreation	1,397,502
Community development	39,706
Total governmental activities accumulated depreciation/amortization	<u>\$ 6,448,801</u>

Business-type Activities

Water	\$ 1,266,005
Wastewater	1,299,553
Stormwater	469,577
Fleet	433,638
Total business type activities accumulated depreciation/amortization	<u>\$ 3,468,773</u>

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2024

Activity for lease assets for the fiscal year ended June 30, 2024 is as follows:

Governmental Activities	Balance June 30, 2023	Increases	Reclasses	Decreases	Balance June 30, 2024
Lease assets					
Land and easements	\$ 79,282	\$ -	\$ -	\$ -	\$ 79,282
Infrastructure	40,057	-	-	-	40,057
Total lease assets	119,339	-	-	-	119,339
Accumulated amortization					
Land and easements	(14,264)	(7,246)	-	-	(21,510)
Infrastructure	(4,578)	(2,314)	-	-	(6,892)
Total accumulated amortization	(18,842)	(9,560)	-	-	(28,402)
Governmental lease assets, net	\$ 100,497	\$ (9,560)	\$ -	\$ -	\$ 90,937
Business-type Activities	Balance June 30, 2023	Increases	Reclasses	Decreases	Balance June 30, 2024
Lease assets					
Equipment	\$ 163,971	\$ 316,220	\$ -	\$ (37,470)	\$ 442,721
Infrastructure	60,161	-	-	-	60,161
Total lease assets	224,132	316,220	-	(37,470)	502,882
Accumulated amortization					
Equipment	(41,856)	(68,483)	-	21,778	(88,561)
Infrastructure	(6,942)	(3,471)	-	-	(10,413)
Total accumulated amortization	(48,798)	(71,954)	-	21,778	(98,974)
Business-type lease assets, net	\$ 175,334	\$ 244,266	\$ -	\$ (15,692)	\$ 403,908

CITY OF OREGON CITY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2024

Amortization expense for the year was charged to each function as follows:

Governmental Activities

Public works	\$ 1,203
Culture and recreation	8,357
Amortization, governmental activities	<u>\$ 9,560</u>

Business-type Activities

Water	\$ 1,157
Wastewater	1,157
Stormwater	1,157
Fleet	68,483
Amortization, business-type activities	<u>\$ 71,954</u>

Activity for subscription assets for the fiscal year ended June 30, 2024 is as follows:

Governmental Activities	Balance June 30, 2023	Increases	Reclasses	Decreases	Balance June 30, 2024
Subscription assets					
Subscription - software implemenations	\$ 221,556	\$ -	\$ (221,556)	\$ -	\$ -
Subscription - software subscriptions	674,348	380,961	221,556	(185,068)	1,091,797
Total subscription assets	895,904	380,961	-	(185,068)	1,091,797
Accumulated amortization					
Subscription - software subscriptions	(194,210)	(385,251)	-	149,015	(430,446)
Total accumulated amorization	(194,210)	(385,251)	-	149,015	(430,446)
Governmental subscription assets, net	<u>\$ 701,694</u>	<u>\$ (4,290)</u>	<u>\$ -</u>	<u>\$ (36,053)</u>	<u>\$ 661,351</u>

Business-type Activities	Balance June 30, 2023	Increases	Reclasses	Decreases	Balance June 30, 2024
Subscription assets					
Subscription - software subscriptions	\$ 149,958	\$ -	\$ -	\$ -	\$ 149,958
Total subscription assets	149,958	-	-	-	149,958
Accumulated amortization					
Subscription - software subscriptions	(35,449)	(37,548)	-	-	(72,997)
Total accumulated amorization	(35,449)	(37,548)	-	-	(72,997)
Business-type subscription assets, net	<u>\$ 114,509</u>	<u>\$ (37,548)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 76,961</u>

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2024

Amortization expense for the year was charged to each function as follows:

Governmental Activities

General government	\$ 367,113
Public safety	18,138
Amortization, governmental activities	<u>\$ 385,251</u>

Business-type Activities

Fleet	\$ 37,548
Amortization, business-type activities	<u>\$ 37,548</u>

E. Long Term Debt – Bonds Payable

The following table presents current year changes in long-term debt obligations and the current portions due for each issue. Under Oregon Revised Statutes 287A.050, general obligation debt issues are limited to 3% of real market value of all taxable property within the City's boundaries. The City's outstanding general obligation debt of \$3.53 million is significantly below the debt limitation of \$239 million. The City has no outstanding bonds payable for its Business Activities.

	Outstanding June 30, 2023	Issued	Matured / Redeemed	Outstanding June 30, 2024	Due Within One Year
Governmental Activities					
Direct Placement General Obligation Bonds					
Library General Obligation Bonds, Issued January 7, 2015, interest rate at 3.08%	\$ 3,826,296	\$ -	\$ (297,521)	\$ 3,528,775	\$ 306,685
Limited Obligation Bonds					
PERS Limited Tax Pension Obligations, Series 2005, Issued September 28, 2005, interest rates from 4.21% to 5.00%	7,445,000	-	(1,395,000)	6,050,000	1,535,000
Oregon City Full Faith and Credit Obligations, Series 2018, Issued June 5, 2018, interest rates from 3.00% to 5.00%	12,005,000	-	(585,000)	11,420,000	610,000
Bond Premiums and Discounts	1,156,638	-	(77,109)	1,079,529	77,109
Total long-term debt	<u>\$ 24,432,934</u>	<u>\$ -</u>	<u>\$ (2,354,630)</u>	<u>\$ 22,078,304</u>	<u>\$ 2,528,794</u>

CITY OF OREGON CITY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2024

Governmental Activities

Direct Placement Library General Obligation Bonds: On January 7, 2015, the City issued \$6,000,000 of voter-approved General Obligation Bonds through a direct placement. The purpose of the bonds were to renovate and expand the Oregon City Library at Carnegie Center. The interest rate on the bonds is 3.08% and the final payment is due June 1, 2034. The City has pledged its full faith and credit and taxing power to pay the Bonds. In the event of default, the outstanding principal amount of the Bonds shall bear interest at the default rate of 6.00% per annum until the default is remedied.

Public Employee Retirement System (PERS) Unfunded Actuarial Liability Bonds: During 2005-06, the City issued \$17,030,000 in bonds to fund its PERS actuarial liability. The bonds are limited tax obligations and are payable from ad valorem property taxes and any unrestricted taxes, fees, charges, and other revenues. They are not general obligation bonds. The bonds bear interest at rates varying between 4.21% and 5.00%. Semiannual payments of interest are due on December 1 and June 1 of each year, and annual payments of principal are due on June 1 of each year. The final payment is due June 1, 2028.

Oregon City Full Faith and Credit Obligations: The City issued \$16,000,000 of voter-approved Full Faith and Credit Obligation bonds dated June 5, 2018, to provide a new police and municipal court facility. The bonds were issued at a premium of \$1,542,183 resulting in face value of the bonds of \$14,615,000. The bond premium is to be amortized over the life of the bonds, which mature in 2038. Interest rates on the bonds range from 3.00% to 5.00%.

Water Infrastructure Finance and Innovation Act (WIFIA): On July 20, 2023, the City closed on a loan agreement for \$16,311,537 with Federal Environmental Protection Agency (EPA) through their WIFIA program. This loan finances up to 49% of the identified water system improvement projects totaling \$33,288,850. The interest rate is 3.94% and as of June 30, 2024, the City has not drawn down on the loan. Payment of principal and interest is deferred until after substantial completion in fiscal year 2028. The City could choose, upon notification to WIFIA, to make interest-only payments prior to December 1, 2030, and the final maturity date for the WIFIA loan is June 1, 2063.

The City was in compliance with all covenants at June 30, 2024.

Future Principal and Interest

Future maturities of bond principal and interest at June 30, 2024, are as follows:

Fiscal Year Ending June 30,	Governmental Activities				Total	
	Bonds		Direct Placement Bonds			
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 2,145,000	\$ 798,842	\$ 306,685	\$ 108,686	\$ 2,451,685	\$ 907,528
2026	2,320,000	697,631	316,130	99,240	2,636,130	796,871
2027	2,505,000	587,863	325,867	89,504	2,830,867	677,367
2028	1,660,000	469,089	335,904	79,467	1,995,904	548,556
2029	710,000	392,900	346,250	69,121	1,056,250	462,021
2030-2034	4,125,000	1,394,500	1,897,939	178,915	6,022,939	1,573,415
2035-2039	4,005,000	408,200	-	-	4,005,000	408,200
	<u>\$ 17,470,000</u>	<u>\$ 4,749,025</u>	<u>\$ 3,528,775</u>	<u>\$ 624,933</u>	<u>\$ 20,998,775</u>	<u>\$ 5,373,958</u>

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2024

Long Term Debt – Compensated Absences

The City's policy relating to compensated absences is described in Note 1. E. Changes in the liability for accrued compensated absences are as follows:

	Outstanding June 30, 2023	Earned	Paid	Outstanding June 30, 2024	Due Within One Year
Governmental Activities	\$ 1,190,973	\$ 1,359,353	\$ 1,250,665	\$ 1,299,661	\$ 259,931
Business-type Activities	261,275	278,178	265,093	274,360	54,872
	<u>\$ 1,452,248</u>	<u>\$ 1,637,531</u>	<u>\$ 1,515,758</u>	<u>\$ 1,574,021</u>	<u>\$ 314,803</u>

F. Long Term Debt – Leases Payable

The City recognizes a lease payable for the following contracts in which the City, acting as a lessee, is granted the right to use the asset of another entity.

Governmental Activities

The City has three leases with the Oregon Department of State Lands for submerged and submersible land in the Willamette River adjacent to Jon Storm Park and Sportcraft Landing for use as a marina and dock. The terms of the leases are each fifteen years, expiring in fiscal years 2031, 2034, and 2037, respectively. Outflows of resources for these leases are recorded in the General Fund.

The City has a lease with Beaver Creek Cooperative Telephone Co. for conduit. The term of the lease is twenty years, expiring in fiscal year 2039. Outflows of resources for this lease are allocated equally across five funds; two of which are included in Governmental Activities: the General Fund and the Transportation Fund.

Business-Type Activities

The City has a lease with Beaver Creek Cooperative Telephone Co. for conduit. The term of the lease is twenty years, expiring in fiscal year 2039. Outflows of resources for this lease are allocated equally across five funds; three of which are included in Business-Type Activities: the Water Fund, the Wastewater Fund, and the Stormwater Fund.

The City has seven leases with Axon for various types of public safety equipment including body worn cameras, tasers, taser accessories and fleet cameras. The terms of the leases vary from 44 months to 60 months, expiring in fiscal years 2026, 2027, 2028 and 2029. Axon terminated the Taser lease issued August 1, 2021. Outflows of these resources for these leases are recorded in the Equipment Replacement Fund.

	Outstanding June 30, 2023	Additions	Decrease	Outstanding June 30, 2024	Due Within One Year
Governmental Activities					
ODSL Marina at Sportcraft, issued August 1, 2015, interest rate at 3.00%, total annual principal and interest ranges from \$3,300 to \$5,100, due 2031	\$ 28,597	\$ -	\$ (3,351)	\$ 25,246	\$ 3,576
ODSL Marina at Jon Storm Park, issued May 1, 2019, interest rate at 3.00%, total annual principal and interest ranges from \$2,800 to \$4,400, due 2034	32,393	-	(2,365)	30,028	2,536
ODSL Dock at Jon Storm Park, issued January 1, 2022, interest rate at 3.00%, total annual principal and interest ranges from \$475 to \$700, due 2037	6,119	-	(301)	5,818	324
Beavercreek Cooperative Telephone Company Conduit, issued November 1, 2018, interest rate at 3.00%, total annual principal and interest \$3,000, due 2039	36,379	-	(1,896)	34,483	1,956
Total Governmental	<u>\$ 103,488</u>	<u>\$ -</u>	<u>\$ (7,913)</u>	<u>\$ 95,575</u>	<u>\$ 8,392</u>

CITY OF OREGON CITY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2024

	Outstanding June 30, 2023	Additions	Decrease	Outstanding June 30, 2024	Due Within One Year
Business-type Activities					
Beavercreek Cooperative Telephone Company Conduit, issued November 1, 2018, interest rate at 3.00%, total annual principal and interest \$3,000, due 2039	\$ 54,568	\$ -	\$ (2,844)	\$ 51,724	\$ 2,934
Body Worn Cameras - Traffic, issued October 1, 2021, interest rate at 0.632%, total annual principal and interest \$2,134, due 2026	6,323	-	(2,095)	4,228	2,107
Taser 7 Cert Bundle, issued October 1, 2022, interest rate at 3.305%, total annual principal and interest \$10,499, due 2028	38,745	-	(9,219)	29,526	9,524
Taser Accessories, issued April 1, 2022, interest rate at 2.157%, total annual principal and interest \$10,800, due 2027	31,052	-	(10,130)	20,922	10,349
Tasers, issued August 1, 2021, interest rate at 0.577%, total annual principal and interest ranging from \$5,733 to \$8,820, due 2026	17,489	-	(17,489)	-	-
Body Worn Cameras - Detectives, issued January 1, 2023, interest rate at 2.676%, total annual principal and interest \$2,683, due 2027	10,161	-	(2,524)	7,637	2,479
Tasers, issued September 15, 2023, interest rate at 2.736%, total annual principal and interest \$8,449, due 2029	-	40,055	(8,449)	31,606	7,584
Fleet Cameras, issued August 31, 2023, interest rate at 2.7360%, total annual principal and interest \$8,544, due 2028	-	41,379	(17,088)	24,291	7,879
Fleet Cameras, issued January 15, 2024, interest rate at 2.312%, total annual principal and interest \$49,128, due 2029	-	234,786	(49,128)	185,658	44,836
Total Business-type	\$ 158,338	\$ 316,220	\$ (118,966)	\$ 355,592	\$ 87,692
Total lease payables	\$ 261,826	\$ 316,220	\$ (126,879)	\$ 451,167	\$ 96,084

Future maturities are as follows:

Fiscal Year Ending June 30,	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 8,392	\$ 2,841	\$ 87,692	\$ 8,991	\$ 96,084	\$ 11,832
2026	8,893	2,588	89,857	6,825	98,750	9,413
2027	9,416	2,320	79,145	4,603	88,561	6,923
2028	9,963	2,037	59,452	2,571	69,415	4,608
2029	10,534	1,737	3,307	1,138	13,841	2,875
2030-2034	35,049	4,531	18,101	4,120	53,150	8,651
2035-2039	13,328	873	18,038	1,220	31,366	2,093
	<u>\$ 95,575</u>	<u>\$ 16,927</u>	<u>\$ 355,592</u>	<u>\$ 29,468</u>	<u>\$ 451,167</u>	<u>\$ 46,395</u>

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2024

G. Long Term Debt – Subscriptions Payable

The City recognizes a subscription payable for the following contracts in which the City is granted the right to use the asset of another entity.

Governmental Activities

The City had a subscription with Dark Trace for network enterprise immune software. The term of the subscription is three years expiring in fiscal year 2024. Outflows of resources for this subscription is recorded in the General Fund.

The City has terminated the subscription issued on January 1, 2023, with Granicus for community engagement software.

The City had a subscription with ThinkGard for network security software. The term of the subscription is three years expiring in fiscal year 2024. Outflows of resources for this subscription is recorded in the General Fund.

The City has a subscription with Dell for computer operating system software. The term of the subscription is three years expiring in fiscal year 2025. Outflows of resources for this subscription is recorded in the General Fund.

The City has a subscription with the City of Lake Oswego for access to database services through Law Enforcement Date System (LEDS) and the National Crime Information Center (NCIC). The term of the subscription is four years expiring in fiscal year 2025. Outflows of resources for this subscription is recorded in the General Fund.

The City has a subscription with CivicClerk for agenda and meeting software. The term of the subscription is two years expiring in fiscal year 2026. Outflows of resources for this subscription is recorded in the General Fund.

The City has a subscription with CivicEngage for website software. The term of the subscription is two years expiring in fiscal year 2026. Outflows of resources for this subscription is recorded in the General Fund.

The City has a subscription with DebtBook for lease and subscription management software. The term of the subscription is three years expiring in fiscal year 2027. Outflows of resources for this subscription is recorded in the General Fund.

The City has a subscription with Euna for budget software. The term of the subscription is four years expiring in fiscal year 2027. Outflows of resources for this subscription is recorded in the General Fund.

The City has a subscription with RingCentral for Voice Over Internet Protocol (VOIP) software. The term of the subscription is three years expiring in fiscal year 2027. Outflows of resources for this subscription is recorded in the General Fund.

Business-Type Activities

The City has three subscriptions with Axon for various types of public safety software including auto tagging software, redaction software and body worn camera software. The terms of the subscriptions vary from 49 months to 60 months, expiring in fiscal years 2024, 2026 and 2027, respectively. Outflows of these resources for these leases are recorded in the Equipment Replacement Fund.

CITY OF OREGON CITY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2024

	Outstanding June 30, 2023	Additions	Decrease	Outstanding June 30, 2024	Due Within One Year
Governmental Activities					
Network Enterprise Immune Software, issued August 1, 2021, interest rate at 2.0237%, total annual principal and interest of \$62,103, due 2024	\$ 60,871	\$ -	\$ (60,871)	\$ -	\$ -
Community Engagement Software, issued January 1, 2023, interest rate at 2.656%, total annual principal and interest ranges from \$17,200 to \$19,800, due 2024	36,794	-	(36,794)	-	-
Network Security Software, issued August 1, 2021, interest rate at 2.0237%, total annual principal and interest of \$66,772, due 2024	66,046	-	(66,046)	-	-
Computer Operating System Software, issued February 1, 2023, interest rate at 2.656%, total annual principal and interest of \$106,771, due 2025	205,327	-	(101,318)	104,009	104,009
LEDS and NCIC Software, issued July 1, 2021, interest rate at 2.656%, total annual principal and interest ranging from \$13,000 to \$15,700, due 2025	29,030	-	(13,666)	15,364	15,364
Agenda and Meeting Software, issued June 1, 2024, interest rate at 2.580%, total annual principal and interest of \$9,032, due 2026	-	17,538	-	17,538	8,733
Website Software, issued September 8, 2023, interest rate at 2.184%, total annual principal and interest ranging from \$17,100 to \$18,467, due 2026	-	104,436	(35,567)	68,869	34,062
Lease and SBITA Software, issued March 1, 2024, interest rate at 2.426%, total annual principal and interest ranging from \$10,000 to \$10,816, due 2027	-	30,463	(10,000)	20,463	9,904
Budget Software, issued August 3, 2023, interest rate at 2.786%, total annual principal and interest ranging from \$32,397 to \$37,504, due 2027	-	133,475	(32,035)	101,440	31,191
Voice Over Internet Protocol (VOIP) Software, issued March 1, 2024, interest rate at 2.426%, total annual principal and interest ranging from \$10,095 to \$26,057, due 2027	-	70,071	(9,700)	60,371	24,858
Total Governmental	\$ 398,068	\$ 355,983	\$ (365,997)	\$ 388,054	\$ 228,121
Business-type Activities					
Body Camera Auto Tagging Software, issued October 15, 2022, interest rate at 3.238%, total annual principal and interest ranging from \$6,237 to \$6,426, due 2024	\$ 6,042	\$ -	\$ (6,042)	\$ -	\$ -
Body Camera Redaction Software, issued August 1, 2022, interest rate at 2.2753%, total annual principal and interest \$5,513, due 2026	20,850	-	(5,038)	15,812	5,153
Body Worn Camera Software, issued July 1, 2021, interest rate at 2.2753%, total annual principal and interest of \$27,168, due 2027	77,931	-	(25,394)	52,537	25,972
Total Business-type	\$ 104,823	\$ -	\$ (36,474)	\$ 68,349	\$ 31,125
Total subscription payables	\$ 502,891	\$ 355,983	\$ (402,471)	\$ 456,403	\$ 259,246

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2024

Future maturities are as follows:

Fiscal Year Ending June 30,	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 228,121	\$ 9,423	\$ 31,125	\$ 1,555	\$ 259,246	\$ 10,978
2026	113,400	3,790	31,834	847	145,234	4,637
2027	46,533	1,067	5,390	123	51,923	1,190
	<u>\$ 388,054</u>	<u>\$ 14,280</u>	<u>\$ 68,349</u>	<u>\$ 2,525</u>	<u>\$ 456,403</u>	<u>\$ 16,805</u>

H. Postemployment Benefits Other than Pensions (OPEB)

The City follows *GASB 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

The other postemployment benefits (OPEB) for the City combines two separate plans. The City provides an implicit and explicit rate subsidy for retiree health insurance premiums and a contribution to the State of Oregon's PERS cost-sharing multiple-employer defined benefit health insurance plan.

The City's two OPEB plans are presented in the aggregate on the Statement of Net Position. The amounts on the financial statements relate to the plans as follows:

	Implicit Rate Subsidy	PERS RHIA Plan	Total OPEB on Financials
Net OPEB Asset	\$ -	\$ 549,550	\$ 549,550
Deferred Outflows of Resources			
Change in Assumptions	1,183,812	-	1,183,812
Difference in Expected and Actual Experience	-	-	-
Difference in Earnings	-	1,559	1,559
Change in Proportionate Share	-	-	-
Contributions After MD	373,438	224	373,662
OPEB Liability	(11,372,626)	-	(11,372,626)
Deferred Inflows of Resources			
Difference in Expected and Actual Experience	(3,009,391)	(13,797)	(3,023,188)
Difference in Earnings	-	-	-
Change in Assumptions	(970,007)	(5,925)	(975,932)
Change in Proportionate Share	-	(16,249)	(16,249)
OPEB Expense/(Income)*	658,128	(81,887)	576,241

*Included in operating expenses on the Statement of Revenues, Expenses and Changes in Net Position

I. Other Postemployment Benefits (OPEB) – Health Insurance

Plan Description

The City's single-employer defined benefit postemployment healthcare plan is administered by CityCounty Insurance Services (CIS). Benefit provisions are established through negotiations between the City and representatives of collective bargaining units or through resolutions passed by the City Commission. The City has not established a formal plan or an irrevocable trust (or equivalent arrangement) to account for the plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

The City's postemployment healthcare plan administrator issues a publicly available financial report that includes financial statements and required supplementary information for CIS. This report may be obtained through their website at: <https://www.cisoregon.org/About/TrustDocs>.

Benefits Provided

Implicit rate subsidy: As required by ORS 243.303, the City must offer retirees the same group health and dental insurance as provided to current employees from the date of retirement to the age when retirees and spouses typically become eligible for Medicare. The difference between retiree claims costs, which because of the effect of age is generally higher than plan members, and the amount of retiree healthcare premiums represents the implicit employer contribution.

Explicit rate subsidy: Based on negotiated union agreements, the City provides retiree health benefits to employees that retired from active service while eligible to receive a pension benefit from Oregon PERS meeting one of the following three criteria:

- Hired before July 1, 2005 for retirees represented by AFSCME
- Hired before November 17, 2005 for Management retirees
- Retired while represented by the Oregon City Police Employees' Association

Retirees under 65 are eligible to receive the same medical and dental coverage as active employees. 50% or \$100, whichever is less, of the premiums for the medical plan are paid by the Employer for AFSCME retirees. 50% of the premiums for the medical plan are paid by the Employer for Police retirees. 100% of the premiums for the medical plan are paid by the Employer for Management retirees. The retiree is responsible for the dental premiums. No spousal or family coverage is paid for by the Employer (single premium amounts only). For Police retirees over age 65, 50% of the premiums for Medicare supplemental health care coverage are paid by the Employer for the retiree only. For Management retirees over age 65, the City pays 100% of the Medicare supplemental health care coverage. Coverage for AFSCME retirees ends when the retiree turns 65.

Funding Policy and Covered Employees

The City funds the plan only to the extent of current year insurance premium requirements on a pay-as-you-go basis, with all insurance premium costs paid in full by the individual for management personnel hired after November 17, 2005 and AFSCME personnel hired after July 1, 2005.

As of the valuation date of July 1, 2022, the following employees were covered by the benefit terms:

Active employees	180
Eligible retirees	109
Spouses of ineligible retirees	<u>0</u>
Total participants	<u><u>289</u></u>

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2024

OPEB Plan Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The City's OPEB liability of \$11,372,626 was measured as of June 30, 2023 and was determined by an actuarial valuation as of July 1, 2022. For the fiscal year ended June 30, 2024, the City recognized OPEB expense from this plan of \$658,128. The City reported deferred outflows of resources and deferred inflows of resources related to this OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 3,009,391
Changes of assumptions	1,183,812	970,007
Total (prior to post-MD contributions)	1,183,812	3,979,398
Contributions subsequent to the MD	373,438	-
Total	<u>\$ 1,557,250</u>	<u>\$ 3,979,398</u>

Deferred outflows of resources related to OPEB of \$373,438 resulting from the City's contributions subsequent to the measurement date will be recognized as a decrease of the OPEB liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ended June 30:</u>	
2025	\$ (309,118)
2026	(249,822)
2027	(339,746)
2028	(379,122)
2029	(385,702)
Thereafter	<u>(1,132,076)</u>
Total	<u>\$ (2,795,586)</u>

Actuarial Assumptions and Other Inputs

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The OPEB liability in the July 1, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Inflation Rate	2.40 percent
Discount Rate*	3.65 percent
Projected Salary Increases	3.40 percent overall payroll growth
Retiree Healthcare Participation	55% of eligible employees 60% of male members and 35% of female members will elect spouse coverage.
Mortality	Health retirees and beneficiaries: Pub-2010 General and Safety Employee and Healthy Retiree tables, sex distinct for members and dependents, with a one-year setback for male general service employees and female safety employees. Healthcare cost trend rate: Medical and vision: 4.25 percent per year increasing to 6.75 percent in 2023 then decreasing to 3.75 percent by 2072. Dental: 1.75 percent in 2022 increasing to 4 percent in 2023 until 2072 when it decreases to 3.75 percent.

*The discount rate was based on Bond Buyer 20-Year General Obligation Bond Index.

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2024

Changes in the OPEB Liability

	OPEB Liability
Balance as of June 30, 2023	\$ 10,767,124
Changes for the year:	
Service cost	642,007
Interest on total OPEB liability	398,601
Effect of assumptions changes or inputs	(134,028)
Benefit payments	(301,078)
Balance as of June 30, 2024	<u>\$ 11,372,626</u>

Changes in assumptions are the result of the change in the discount rate from 3.54% to 3.65%. Assumption changes also include an assumed medical and vision cost increase. The annual pay rate remained the same at 3.4%. Rates adopted by the Oregon Public Employees Retirement System (PERS) for its December 31, 2021 actuarial valuation of retirement benefits are used for withdrawal, retirement and mortality rates.

Sensitivity of the OPEB Liability

The following presents the City's OPEB liability, calculated using the discount rate of 3.65%, as well as what the liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.65%) or 1 percentage point higher (4.65%) than the current discount rate. A similar sensitivity analysis is then presented for changes in the healthcare trend assumption.

Discount Rate:

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
OPEB Liability	\$ 12,709,209	\$ 11,372,626	\$ 10,228,375

Healthcare Cost Trend:

	1% Decrease	Current Health Care Trend Rates	1% Increase
OPEB Liability	\$ 9,984,947	\$ 11,372,626	\$ 13,057,494

J. Other Postemployment Benefits (OPEB) – Retirement Health Insurance Account (RHIA)

Plan Description

As a member of Oregon Public Employees Retirement System (PERS), the City contributes to the PERS Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan. RHIA pays a monthly contribution toward the cost of health insurance for eligible PERS members. Oregon Revised Statute (ORS) 238.420 established this trust fund and authorized the Oregon Legislature to establish and amend the benefit provisions. The Oregon Legislature has delegated this authority to the Public Employees Retirement Board. The plan is closed to new entrants hired after August 29, 2003. PERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, P.O. Box 23700, Tigard, OR 97281-3700 or online at <https://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>.

Benefits Provided

ORS 238.420 authorizes a payment of up to \$60 from RHIA toward the monthly cost of health insurance for eligible PERS members. To be eligible to receive this monthly payment toward the premium cost, the member must: (1) have eight years or more of qualifying service in PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in PERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in a PERS-sponsored health plan. A surviving spouse or dependent of a deceased PERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from PERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Contributions

PERS funding policy provides for employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. Employer contribution rates for the period were based on the December 31, 2021 actuarial valuation and a percentage of payroll that first became effective July 1, 2023. The City contributed 0.04% of PERS-covered salaries for Tier One/Tier Two members to fund the normal cost portion of RHIA benefits. No unfunded actuarial liability (UAL) rate was assigned for the RHIA program as it was funded over 100% as of December 31, 2021. Typically, the City contributes an actuarially determined percent of all PERS-covered salaries to amortize the unfunded actuarial accrued liability over a fixed period with new unfunded actuarial accrued liabilities being amortized over 10 years. The City's total contributions for the year ended June 30, 2024 were \$224.

OPEB Assets, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2024, the City reported an asset of \$549,550 for its proportionate share of the PERS net OPEB asset. The net OPEB asset was measured as of June 30, 2023, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2021 rolled forward to June 30, 2023. The City's proportion of the net OPEB asset was based on the City's contributions to the RHIA program during the measurement period relative to contributions from all participating employers. At June 30, 2024, the City's proportionate share was 0.15008210%, which is an increase from its proportion of 0.14143504% as of June 30, 2023.

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2024

For the year ended June 30, 2024, the City recognized OPEB income from this plan of \$81,887. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to this OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 13,797
Changes of assumptions	-	5,925
Net difference between projected and actual earnings on investments	1,559	-
Changes in proportionate share	-	16,249
Differences between employer contributions and proportionate share of contributions	-	-
Total (prior to post-MD contributions)	1,559	35,971
Contributions subsequent to the MD	224	-
Total	\$ 1,783	\$ 35,971

Deferred outflows of resources related to OPEB of \$224 resulting from the City's contributions subsequent to the measurement date will be recognized as an increase in the net OPEB asset in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense (income) as follows:

Year ended June 30:	
2025	\$ (37,909)
2026	(24,096)
2027	20,309
2028	7,284
Total	\$ (34,412)

Actuarial Methods and Assumptions

The net OPEB asset in the December 31, 2021 actuarial valuation was determined using the actuarial methods and assumptions as listed below in Note K – Pension Plan – Oregon Public Employees Retirement System under the “Actuarial Assumptions” section except for:

Long-Term Expected Rate of Return

The Long-Term Expected Rate of Return is the same as listed below in Note K – Pension Plan – Oregon Public Employees Retirement System (PERS) under the “Long-term Expected Rate of Return” section.

Discount Rate

The discount rate used to measure the net OPEB asset was 6.90% for the RHIA Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the net OPEB asset.

Sensitivity of the City's proportionate share of the net OPEB (asset) to changes in the discount rate

The following presents the City's proportionate share of the net OPEB (asset) calculated using the discount rate of 6.90%, as well as what the City's proportionate share of the net OPEB (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (5.90%) or 1 percentage point higher (7.90%) than the current rate:

	<u>1% Decrease (5.90%)</u>	<u>Current Discount Rate (6.90%)</u>	<u>1% Increase (7.90%)</u>
Net OPEB Asset	\$ (499,542)	\$ (549,550)	\$ (592,456)

OPEB Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

Changes in Plan Provisions During the Measurement Period

There were no changes during the June 30, 2023 measurement period that require disclosure.

Changes in Plan Provisions Subsequent to Measurement Date

There were no changes subsequent to the June 30, 2023 measurement date that require disclosure.

K. Pension Plan – Oregon Public Employees Retirement System (PERS)

Plan Description

The City is a participating employer in the Oregon Public Employees Retirement System (PERS), a cost-sharing multiple-employer defined benefit pension plan. All benefits of PERS are established by the Oregon Legislature pursuant to ORS Chapters 238 and 238A. The Oregon Legislature has delegated authority to the Public Employees Retirement Board to administer and manage the system as the governing body of PERS.

The *Tier One/Tier Two Retirement Benefit Plan*, established by ORS Chapter 238, is closed to new members hired on or after August 29, 2003. The *Pension Program (OPSRP)*, established by ORS Chapter 238A, provides benefits to members hired on or after August 29, 2003. Both plans provide retirement and disability benefits, post-employment healthcare benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries.

PERS issues a publicly available Annual Comprehensive Financial Report and Actuarial Valuation that can be obtained by writing to PERS, PO Box 23700, Tigard, Oregon, 97281, by calling 503-598-7377 or on their website at <https://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>. Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

Benefits Provided

1. Tier One/Tier Two Retirement Benefit Plan – ORS Chapter 238

Pension Benefits

The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options that are actuarially equivalent to the base benefit. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage, 1.67% for General Service employees and 2% for Police and Fire employees, is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2024

greater benefit results. Monthly payments must be a minimum of \$200 per month or the member will receive a lump-sum payment of the actuarial equivalent of benefits to which he or she is entitled. Under Senate Bill 1049, passed during the 2019 legislative session, the salary included in the determination of final average salary is limited for all members beginning in 2021. The limit was equal to \$232,976 as of January 1, 2024 and it is indexed with inflation every year. Police and Fire members may purchase increased benefits that are payable between the date of retirement and age 65.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for Police and Fire members). General Service employees may retire after reaching age 55. Police and Fire members are eligible after reaching age 50. Tier One General Service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and Fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier Two members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

Death Benefits

Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:

- the member was employed by a PERS employer at the time of death,
- the member died within 120 days after termination of PERS-covered employment,
- the member died as a result of injury sustained while employed in a PERS covered job, or
- the member was on an official leave of absence from a PERS-covered job at the time of death.

A member's beneficiary may choose a monthly payment for life instead of the lump-sum or a combination of lump-sum and monthly payments, if eligible. The monthly payment must be a minimum of \$200 per month for deaths that occur after July 30, 2003.

Disability Benefits

A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for Police and Fire members) when determining the monthly benefit.

Benefit Changes After Retirement

Members may choose to continue participation in a variable account after retiring and may experience annual benefit fluctuations by changes in the fair value of the underlying global equity investments of that account. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living (COLA) changes. The COLA is capped at 2.0 percent.

2. *Oregon Public Service Retirement Plan (OPSRP) Defined Benefit Pension Program – ORS Chapter 238A*

Pension Benefits

The OPSRP pension program is available for members hired on or after August 29, 2003. This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

- Police and Fire: 1.8% is multiplied by the number of years of service and the final average salary. Normal retirement age for Police and Fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a Police and Fire member, the individual must have been employed continuously as a Police and Fire member for at least five years immediately preceding retirement.

- General Service: 1.5% is multiplied by the number of years of service and the final average salary. Normal retirement age for General Service members is age 65, or age 58 with 30 years of retirement credit.

Under Senate Bill 1049, passed during the 2019 legislative session, the salary included in the determination of final average salary is limited for all members beginning in 2021. The limit was equal to \$232,976 as of January 1, 2023 and is indexed with inflation every year.

A member of the OPSRP Pension Program becomes vested on the earliest of following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, or, if the pension program is terminated, the date on which termination becomes effective.

Death Benefits

Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse receives for life 50% of the pension that would otherwise have been paid to the deceased member. The surviving spouse or other person may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70 ½ years.

Disability Benefits

A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45% of the member's salary determined as of the last full month of employment before the disability occurred.

Benefit Changes After Retirement

Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year 2015 and beyond will vary based on 1.25% on the first \$60,000 of annual benefit and \$750 plus 0.15% on annual benefits above \$60,000.

3. *OPSRP Individual Account Program (IAP)*

Pension Benefits

The IAP is an individual account -based program under the PER tax-qualified governmental plan as defined under ORS 238A.400 and is a defined contribution pension plan. An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the contributions are deposited into a separate employer account. The member becomes vested in this account on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. The accounts fall under Internal Revenue Code Section 401(a).

Upon retirement, a member of the IAP may receive the amounts in the employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Installment amounts vary with market returns as the account remains invested while in distribution. When chosen, the distribution option must result in a \$200 minimum distribution amount, or the frequency of the installments will be adjusted to reach that minimum.

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2024

Death Benefits

Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

Recordkeeping

PERS contracts with VOYA Financial to maintain IAP participant records.

Contributions

1. Employer Contributions

PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2019 actuarial valuation. The rates based on a percentage of payroll, first became effective July 1, 2021. Effective January 1, 2020, Senate Bill 1049 required employers to pay contributions on re-employed PERS retirees' salary as if they were an active member, excluding IAP (6%) contributions. Employer contributions for the year ended June 30, 2024 were \$3,358,700 excluding amounts to fund employer specific liabilities. The rates in effect for the fiscal year ended June 30, 2024 were:

- 23.42% for Tier One/Tier Two General Service Member
- 23.42% for Tier One/Tier Two Police and Fire
- 18.09% for OPSRP Pension Program General Service Members
- 22.88% for OPSRP Pension Program Police and Fire Members

2. Employee Contributions

Beginning January 1, 2004, all employee contributions were placed in the OPSRP Individual Account Program (IAP), a defined contribution pension plan established by the Oregon Legislature. Prior to that date, all member contributions were credited to the Defined Benefit Pension Plan. Member contributions are set by statute at 6.0% or 7.0% of salary and are remitted by participating employers. The contributions are either deducted from member salaries or paid by the employers on the members behalf. The IAP member accounts represent member contributions made on or after January 1, 2004, plus earnings allocations less disbursements for refunds, death benefits, and retirements. As permitted, the City has opted to pick-up the contributions on behalf of employees.

Effective January 1, 2020, Senate Bill 1049 redirects 2.5% of IAP contributions for Tier One/Tier Two members and 0.75% of IAP contributions for OPSRP members into an Employee Pension Stability Account (EPSA). Members have the option to voluntarily contribute after tax to their IAP accounts to make up this difference.

Member contributions were \$1,000,309 for the year ended June 30, 2024, of which \$196,694 was redirected to EPSA.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2024, the City reported a liability of \$27,645,124 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021 rolled forward to June 30, 2023. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2024, the City's proportion was 0.14759269% which was increased from its proportion of

CITY OF OREGON CITY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2024

0.14375499% measured as of June 30, 2023.

For the year ended June 30, 2024, the City recognized pension expense of \$4,560,394. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,351,931	\$ 109,616
Changes of assumptions	2,455,829	18,311
Net difference between projected and actual earnings on investments	496,896	-
Changes in proportion	972,380	250,287
Differences between employer contributions and proportionate share of contributions	-	2,017,491
Total (prior to post-MD contributions)	5,277,036	2,395,705
Contributions subsequent to the MD	3,358,700	-
Total	<u>\$ 8,635,736</u>	<u>\$ 2,395,705</u>

The City's contributions subsequent to the measurement date of \$3,358,700 are reported as deferred outflows of resources related to pensions and will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30:</u>	
2025	\$ 203,261
2026	(951,709)
2027	2,639,742
2028	894,500
2029	95,537
Total	<u>\$ 2,881,331</u>

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2024

Actuarial assumptions

The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	December 31, 2021
Measurement Date	June 30, 2023
Experience Study Report	2020, published July 20, 2021
Actuarial Cost Method	Entry Age Normal
Administrative Expenses	\$59 million per year is added to the total system normal cost and allocated between Tier One/Tier Two and OPSRP based on valuation payroll.
Actuarial Assumptions:	
Inflation Rate	2.40 percent
Long-Term Expected Rate of Return	6.90 percent
Discount Rate	6.90 percent
Projected Salary Increases	3.40 percent overall payroll growth
Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and grade COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision, blend based on service.
Mortality	Health retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Active Members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Disabled retirees: Pub-2010 Disable Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2020 Experience Study, which reviewed experience for the four-year period ending on December 31, 2020.

Long-term expected rate of return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below.

Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation
Cash	0.0%
Debt Securities	25.0%
Public Equity	27.5%
Private Equity	20.0%
Real Estate	12.5%
Real Assets	7.5%
Diversifying Strategies	7.5%
Total	100.0%

Asset Class	Target Allocation	Compounded Annual Return (Geometric)
Global Equity	27.50%	7.07%
Private Equity	25.50%	8.83%
Core Fixed Income	25.00%	4.50%
Real Estate	12.25%	5.83%
Master Limited Partnerships	0.75%	6.02%
Infrastructure	1.50%	6.51%
Hedge Fund of Funds - Multistrategy	1.25%	6.27%
Hedge Fund Equity - Hedge	0.63%	6.48%
Hedge Fund - Macro	5.62%	4.83%
Total	100.00%	
Assumed Inflation - Mean		2.35%

Depletion Date Projection

GASB 68 generally requires that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses.

Determining the discount rate under GASB 68 will often require that the actuary perform complex projections of future benefit payments and pension plan investments. GASB 68 (paragraph 67) does allow for alternative evaluations of projected solvency if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

The following circumstances justify an alternative evaluation of sufficiency for PERS:

- PERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.
- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100% funded position by the end of the amortization period if future experience follows assumption.
- GASB 68 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan's funded position.

Based on these circumstances, it is our independent actuary's opinion that the detailed depletion date projections outlined in GASB 68 would clearly indicate that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

Discount rate

The discount rate used to measure the total pension liability was 6.90% for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 6.90%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.90%) or 1 percentage point higher (7.90%) than the current rate:

	<u>1% Decrease (5.90%)</u>	<u>Discount Rate (6.90%)</u>	<u>1% Increase (7.90%)</u>
City's proportionate share of the net pension liability (asset)	\$ 45,664,540	\$ 27,645,124	\$ 12,564,783

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

Changes in Plan Provisions During the Measurement Period

There were no changes during the measurement period which require disclosure.

Changes in Plan Provisions Subsequent to Measurement Date

There were no changes subsequent to the June 30, 2023 measurement date which require disclosure.

L. Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section (IRC) 457. The Plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

In accordance with IRC 457, the City has transferred all of the Plan assets into trust accounts. The assets and income of the transferred plans are held for the exclusive benefit of the participants and their beneficiaries, and accordingly are not included in the City's financial statements.

M. Transfers and Interfund Transactions

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Interfund transfer activity for the year ended June 30, 2024 is as follows:

Fund	Transfers In	Transfers Out
General Fund	\$ -	\$ 1,232,148
Library Fund	290,000	-
Community Development Fund	326,000	34,000
Building Fund	-	20,000
Engineering Fund	50,000	51,000
Transportation Fund	191,148	533,000
Community Facilities Fund	1,295,000	1,104,500
Debt Service	1,104,500	-
Water Fund	-	644,000
Wastewater Fund	-	575,000
Stormwater Fund	-	452,000
Equipment Replacement Fund	1,392,000	-
Customer Service Fund	-	3,000
Total Transfers	<u>\$ 4,648,648</u>	<u>\$ 4,648,648</u>

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2024

Capital assets are not financial resources in governmental funds but are reported in the Statement of Net Position at their net depreciable value. The System Development fund transferred capital assets to proprietary funds during the year in the amounts shown below. These amounts were recorded as capital contributions in the proprietary funds but are not recorded in the governmental funds; conversely, they are eliminated as interfund transactions in the government-wide statement of activities.

Fund	Transfers In	Transfers Out
Governmental Activities	\$ -	\$ 319,558
Water Fund	295,417	-
Stormwater Fund	24,141	-
	<u>\$ 319,558</u>	<u>\$ 319,558</u>

The City had no interfund receivables / payables at June 30, 2024.

N. Tax Abatements

The City enters into property tax abatement agreements with local businesses under the state Vertical Housing Program, authorized by ORS 307.841 through ORS 307.867, administered by Oregon Housing and Community Services, authorized by ORS 456.555 and Oregon Administrative Rule (OAR) 813-013. The purpose of the Program is to encourage investment in and rehabilitation of properties in targeted areas of a city or community, to augment the availability of appropriate housing, and to revitalize communities. The program encourages mixed-use developments that contain both non-residential and residential uses in areas (zones) designated by local jurisdictions. Eligible projects receive a partial property tax exemption which varies with the number of "Equalized Floors" in a project, with a maximum property tax exemption of 80% over a 10-year term. The City has one project under this program. The exemption is 60% of the residential property taxes for 10 years. For the current year, the abatement is approximately \$64,830 for the City and \$0 for Urban Renewal.

Additionally, the State of Oregon under the Oregon Business Development Department offers an Enterprise Zone (EZ) Tax Abatement program, authorized by ORS 285C. Under this program, local governments are responsible for creating, managing and renewing enterprise zones. In exchange for locating or expanding into an enterprise zone, eligible (generally non-retail) businesses receive total exemption from the property taxes normally assessed on new plant and equipment for three to five years after the property is in service. Minimum eligibility requirements include an increase in full-time, permanent employment by 10%, maintaining minimum employment levels during the exemption period, and employee wages to exceed at least 150% of the State minimum wage. The City has one agreement under this program. For the current year, the abatement is approximately \$61,482 for the City and \$0 for Urban Renewal.

NOTE 3: OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City purchases commercial insurance to minimize its exposure to these risks. There has been no reduction in commercial insurance coverage from the previous fiscal year. Settled claims have not exceeded coverage for any of the past three fiscal years. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated.

B. Contingencies

The City is a defendant in various litigation proceedings. Management believes any losses arising from these actions will not materially affect the City's financial position as they are all insured.

C. Commitments

Construction Commitments – The City has various active construction projects as of June 30, 2024. At year end, the City's commitments with contractors are as follows:

Project	Commitment	Expended thru 6/30/2024
I&I Program Management	\$ 6,809,302	\$ 3,060,702
Sanitary Sewer I&I Linn Basin	3,835,693	3,431,604
Holcomb Boulevard Sidewalk	3,486,768	565,767
2024 Oregon City Roadway Reconstruction	1,805,370	572,913
Clairmont Waterline Replacement	1,532,999	1,305,910
Molalla Avenue 24-Inch Water Transmission	1,285,548	768,860
Stormwater Detention Pond Landscaping Services	1,279,802	879,125
2024 Freightliner Patch Truck	265,139	-
Holmes Lane Waterline Replacement	243,110	130,356
Clackamette Cove Water Quality Analysis	181,040	19,852
2022 Ford F-150 Fleet Utility Truck	151,985	-
DEI Consulting and Initiatives	150,000	33,000
Building E-Permitting Consultation	130,000	3,978
Two 2024 Ford F-350 Trucks	124,358	-

Sewage Treatment – Water Environment Services is a County district that treats wastewater in the region. On behalf of the district, the City processes permit applications, bills and collects user charges from district customers, and collects connection charges. The City operates and maintains local collection facilities.

Public Safety / 911 Communication Services – The City has an arrangement with Clackamas County Department of Communications, also known as C-COM, to provide 9-1-1 emergency and non-emergency call taking services to the public. Future payments are approximately \$533,000 each year, with annual increases subject to inflation (Consumer Price Index).

D. Subsequent Events

Management has evaluated subsequent events through December 3, 2024, the date on which the financial statements were available to be issued.

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2024

E. Joint Venture

The South Fork Water Board (the Board) was created in 1915 by an Intergovernmental Cooperative Agreement between the cities of Oregon City and West Linn for operation and maintenance of water distribution systems. Revenues earned by the Board are expended for the continued operation and maintenance of facilities within the municipal boundaries of these two cities. The Board is governed by a six-member board composed of three appointees from the City of Oregon City and three from the City of West Linn. Ownership of assets is adjusted based on reevaluation of population and water usage. The City's net investment and its share of the operating results of the Board are reported in the City's water fund. The City of Oregon City appoints 50% of the Board's Commission. The investment is reported using the equity method. Each City's share of assets, liabilities and net position is 50%. The following is a summary of financial information on the joint venture as of and for the year ended June 30, 2024.

	<u>South Fork Water Board</u>	<u>Oregon City Portion</u>	<u>West Linn Portion</u>
Total assets	\$ 29,159,583	\$ 14,579,792	\$ 14,579,791
Total deferred outflows of resources	548,896	274,448	274,448
Total liabilities	2,100,491	1,050,246	1,050,245
Total deferred inflows of resources	191,956	95,978	95,978
Total net position	27,416,032	13,708,016	13,708,016
Operating revenues	4,830,519	2,415,260	2,415,259
Operating expenses	3,828,052	1,914,026	1,914,026
Other non-operating revenue (expense), net	718,448	359,224	359,224
Capital contributions	214,168	107,083	107,085
Change in net position	1,935,083	967,541	967,542

A copy of the financial statements of the South Fork Water Board may be obtained by writing to: South Fork Water Board, Oregon City City Hall, P.O. Box 3040, Oregon City, Oregon, 97045-0304.

F. Stewardship

At June 30, 2024, an internal service fund has a deficit net position: the Customer Service Fund has a positive budgetary fund balance but a deficit net position of \$858,843 due to the fund's portion of the net pension liability and OPEB liability.

G. Net Position Restricted Through Enabling Legislation

At June 30, 2024, the government-wide statement of net position reports \$59,907,781 of restricted net position of which \$41,919,638 is restricted through enabling legislation.

H. New Pronouncements

During the fiscal year ended June 30, 2024, the City implemented the following GASB pronouncements:

GASB Statement No. 100, Accounting Changes and Error Corrections. This statement enhances financial reporting by clarifying the definitions and treatment of three kinds of accounting changes; changes in accounting principle, changes in accounting estimates and changes to or within the financial reporting entity. It also provides guidance distinguishing between accounting changes from error corrections. Under this Statement, the aggregate amount of restatements and adjustments must be displayed on the face of the financial statements to each reporting unit. The City did create a new special revenue fund in the fiscal year ending June 30, 2024. The effects on the City's financial statements are shown below in Note I – Changes within the Financial Reporting Entity.

I. Changes within the Financial Reporting Entity

During the fiscal year ended June 30, 2024, the City made a change to report activity for Park Donations in a special revenue fund, instead of the previously reported General Fund. This represents a change within the reporting entity, affecting the beginning fund balance of the General Fund and the newly created Park Donations Fund, a nonmajor governmental fund. There is no change to the net position of the government-wide statements. The effects of the changes are shown below:

	Reporting Units Affected by Adjustments to and Restatements of Beginning Balances		
	Funds		Government-Wide
	General Fund	Nonmajor Governmental	Governmental Activities
June 30, 2023, as previously reported	\$ 13,940,452	\$ -	\$ 13,940,452
Movement of continuing operations	(726,083)	726,083	-
June 30, 2023, as adjusted	<u>\$ 13,214,369</u>	<u>\$ 726,083</u>	<u>\$ 13,940,452</u>



REQUIRED SUPPLEMENTARY INFORMATION

Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual

General Fund

Major Special Revenue Funds:

Engineering

System Development

Urban Renewal

Transportation

Schedule of Changes in OPEB Liability and Related Ratios – Implicit Rate Subsidy

Schedule of Contributions to OPEB – Implicit Rate Subsidy

Schedule of the Proportionate Share of OPEB – RHIA

Schedule of Contributions to OPEB – RHIA

Schedule of the Proportionate Share of the Net Pension Liability

Schedule of Contributions – Pension

Notes to Required Supplementary Information

CITY OF OREGON CITY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND YEAR ENDED JUNE 30, 2024

	Biennial Budget		Actual		Biennial	Variance
	Original	Final	FY 2024	FY 2025		
REVENUES						
Property taxes	\$ 32,927,800	\$ 32,927,800	\$ 17,186,505	\$ -	\$ 17,186,505	\$ (15,741,295)
Franchise taxes	9,062,700	9,062,700	4,683,625	-	4,683,625	(4,379,075)
Assessments and other taxes	1,687,200	1,687,200	604,490	-	604,490	(1,082,710)
Licenses and permits	419,000	419,000	167,834	-	167,834	(251,166)
Charges for services	7,717,400	7,717,400	4,070,977	-	4,070,977	(3,646,423)
Intergovernmental	4,533,900	4,533,900	2,173,253	-	2,173,253	(2,360,647)
Fines and forfeitures	2,930,000	2,930,000	1,183,421	-	1,183,421	(1,746,579)
Interest income	405,000	405,000	826,164	-	826,164	421,164
Miscellaneous	711,600	721,600	563,578	-	563,578	(158,022)
TOTAL REVENUES	60,394,600	60,404,600	31,459,847	-	31,459,847	(28,944,753)
EXPENDITURES						
Policy and administration	15,586,000	15,495,000	6,943,045	-	6,943,045	8,551,955
Police	27,783,900	27,753,700	12,902,967	-	12,902,967	14,850,733
Culture and recreation	12,593,200	12,453,500	5,426,117	-	5,426,117	7,027,383
General government	4,778,100	5,174,900	2,798,340	-	2,798,340	2,376,560
Special payments	725,000	725,000	188,666	-	188,666	536,334
Debt service						
Principal	24,000	587,300	336,168	-	336,168	251,132
Interest	27,800	46,500	11,348	-	11,348	35,152
Contingency	6,352,371	6,181,071	-	-	-	6,181,071
TOTAL EXPENDITURES	67,870,371	68,416,971	28,606,651	-	28,606,651	39,810,320
REVENUES OVER (UNDER) EXPENDITURES	(7,475,771)	(8,012,371)	2,853,196	-	2,853,196	10,865,567
OTHER FINANCING SOURCES (USES)						
Proceeds from Subscription Obligations	-	367,600	355,983	-	355,983	(11,617)
Transfers out	(3,317,229)	(3,317,229)	(1,958,231)	-	(1,958,231)	1,358,998
TOTAL OTHER FINANCING SOURCES (USES)	(3,317,229)	(2,949,629)	(1,602,248)	-	(1,602,248)	1,347,381
NET CHANGE IN FUND BALANCE	(10,793,000)	(10,962,000)	1,250,948	-	1,250,948	12,212,948
FUND BALANCE, beginning of year	12,087,500	12,256,500	13,940,452	-	13,940,452	1,683,952
FUND BALANCE, end of year	\$ 1,294,500	\$ 1,294,500	\$ 15,191,400	\$ -	\$ 15,191,400	\$ 13,896,900

CITY OF OREGON CITY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – ENGINEERING FUND
YEAR ENDED JUNE 30, 2024

	Budget Amounts		Actual			Variance
	Original	Final	FY 2024	FY 2025	Biennial	
REVENUES						
Licenses and permits	\$ 110,000	\$ 110,000	\$ 118,102	\$ -	\$ 118,102	\$ 8,102
Charges for services	1,794,700	1,794,700	743,834	-	743,834	(1,050,866)
Intergovernmental	-	-	21	-	21	21
Interest	15,000	15,000	64,597	-	64,597	49,597
Miscellaneous	-	-	2,195	-	2,195	2,195
TOTAL REVENUES	1,919,700	1,919,700	928,749	-	928,749	(990,951)
EXPENDITURES						
Public works	2,453,600	2,453,600	1,122,021	-	1,122,021	1,331,579
Contingency	138,500	138,500	-	-	-	138,500
TOTAL EXPENDITURES	2,592,100	2,592,100	1,122,021	-	1,122,021	1,470,079
REVENUES OVER (UNDER) EXPENDITURES	(672,400)	(672,400)	(193,272)	-	(193,272)	479,128
OTHER FINANCING SOURCES (USES)						
Transfers in	100,000	100,000	50,000	-	50,000	(50,000)
Transfers out	(102,000)	(102,000)	(51,000)	-	(51,000)	51,000
TOTAL OTHER FINANCING SOURCES (USES)	(2,000)	(2,000)	(1,000)	-	(1,000)	1,000
NET CHANGE IN FUND BALANCE	(674,400)	(674,400)	(194,272)	-	(194,272)	480,128
FUND BALANCE, beginning of year	674,400	674,400	869,504	-	869,504	195,104
FUND BALANCE, end of year	\$ -	\$ -	\$ 675,232	\$ -	\$ 675,232	\$ 675,232

CITY OF OREGON CITY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – SYSTEM DEVELOPMENT FUND YEAR ENDED JUNE 30, 2024

	Budget Amounts		Actual			Variance
	Original	Final	FY 2024	FY 2025	Biennial	
REVENUES						
System development charges	\$ 10,360,000	\$ 10,360,000	\$ 763,294	\$ -	\$ 763,294	\$ (9,596,706)
Intergovernmental	2,810,400	2,810,400	1,542,164	-	1,542,164	(1,268,236)
Interest	337,000	337,000	1,223,053	-	1,223,053	886,053
Miscellaneous	531,500	531,500	683,219	-	683,219	151,719
TOTAL REVENUES	14,038,900	14,038,900	4,211,730	-	4,211,730	(9,827,170)
EXPENDITURES						
Public Works	10,378,600	10,378,600	2,991,052	-	2,991,052	7,387,548
Culture and recreation	495,800	495,800	58,503	-	58,503	437,297
Contingency	31,221,800	31,221,800	-	-	-	31,221,800
TOTAL EXPENDITURES	42,096,200	42,096,200	3,049,555	-	3,049,555	39,046,645
NET CHANGE IN FUND BALANCE	(28,057,300)	(28,057,300)	1,162,175	-	1,162,175	29,219,475
FUND BALANCE, beginning of year	28,057,300	28,057,300	29,984,693	-	29,984,693	1,927,393
FUND BALANCE, end of year	\$ -	\$ -	\$ 31,146,868	\$ -	\$ 31,146,868	\$ 31,146,868

CITY OF OREGON CITY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – URBAN RENEWAL FUND
YEAR ENDED JUNE 30, 2024

	Budget Amounts		Actual			Variance
	Original	Final	FY 2024	FY 2025	Biennial	
REVENUES						
Property Taxes	\$ 888,000	\$ 888,000	\$ 38,783	\$ -	\$ 38,783	\$ (849,217)
Assessments and other taxes	12,000	12,000	14,585	-	14,585	2,585
Charges for services	240,000	240,000	134,728	-	134,728	(105,272)
Interest	90,000	90,000	536,250	-	536,250	446,250
Miscellaneous	30,000	30,000	7,003	-	7,003	(22,997)
TOTAL REVENUES	1,260,000	1,260,000	731,349	-	731,349	(528,651)
EXPENDITURES						
Urban Renewal	10,426,800	10,426,800	401,181	-	401,181	10,025,619
Contingency	64,000	64,000	-	-	-	64,000
TOTAL EXPENDITURES	10,490,800	10,490,800	401,181	-	401,181	10,089,619
REVENUES OVER (UNDER) EXPENDITURES	(9,230,800)	(9,230,800)	330,168	-	330,168	9,560,968
FUND BALANCE, beginning of year	9,230,800	9,230,800	9,272,447	-	9,272,447	41,647
FUND BALANCE, end of year	\$ -	\$ -	\$ 9,602,615	\$ -	\$ 9,602,615	\$ 9,602,615

CITY OF OREGON CITY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – TRANSPORTATION FUND YEAR ENDED JUNE 30, 2024

	Budget Amounts		Actual		Biennial	Variance
	Original	Final	FY 2024	FY 2025		
REVENUES						
Charges for services	\$ 6,547,800	\$ 6,547,800	\$ 3,383,225	\$ -	\$ 3,383,225	\$ (3,164,575)
Intergovernmental	7,660,900	7,660,900	3,675,350	-	3,675,350	(3,985,550)
Interest	49,000	49,000	191,920	-	191,920	142,920
Miscellaneous	-	-	13,898	-	13,898	13,898
TOTAL REVENUES	14,257,700	14,257,700	7,264,393	-	7,264,393	(6,993,307)
EXPENDITURES						
Public works	17,044,700	17,044,600	7,228,744	-	7,228,744	9,815,856
Debt service						
Principal	1,900	1,950	948	-	948	1,002
Interest	1,000	1,050	533	-	533	517
Contingency	868,900	868,900	-	-	-	868,900
TOTAL EXPENDITURES	17,916,500	17,916,500	7,230,225	-	7,230,225	10,686,275
REVENUES OVER (UNDER) EXPENDITURES	(3,658,800)	(3,658,800)	34,168	-	34,168	3,692,968
OTHER FINANCING SOURCES (USES)						
Transfers in	395,000	395,000	191,148	-	191,148	(203,852)
Transfers out	(1,049,000)	(1,049,000)	(533,000)	-	(533,000)	516,000
TOTAL OTHER FINANCING SOURCES (USES)	(654,000)	(654,000)	(341,852)	-	(341,852)	312,148
NET CHANGE IN FUND BALANCE	(4,312,800)	(4,312,800)	(307,684)	-	(307,684)	4,005,116
FUND BALANCE, beginning of year	4,312,800	4,312,800	5,070,129	-	5,070,129	757,329
FUND BALANCE, end of year	\$ -	\$ -	\$ 4,762,445	\$ -	\$ 4,762,445	\$ 4,762,445

CITY OF OREGON CITY, OREGON
SCHEDULE OF CHANGES IN OPEB LIABILITY AND RELATED RATIOS – IMPLICIT RATE SUBSIDY
FOR THE LAST TEN FISCAL YEARS¹

Implicit Rate Subsidy for Retiree Health Insurance Continuation Premiums

	As of Measurement Date June 30,						
	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability							
Service cost	\$ 642,007	\$ 778,276	\$ 753,887	\$ 580,976	\$ 509,046	\$ 495,179	\$ 550,475
Interest on total OPEB liability	398,601	308,881	297,506	427,415	427,424	406,225	345,133
Effect of changes to benefit terms	-	-	-	-	-	-	-
Effect of economic/demographic gains or losses	-	(2,663,840)	-	(2,171,090)	-	(465,787)	-
Effect of assumptions changes or inputs	(134,028)	(1,020,584)	85,552	2,597,382	546,837	(336,053)	(1,161,431)
Benefit payment	(301,078)	(313,124)	(332,895)	(380,897)	(394,502)	(437,294)	(446,894)
Net change in total OPEB liability	605,502	(2,910,391)	804,050	1,053,786	1,088,805	(337,730)	(712,717)
Total OPEB liability - beginning	10,767,124	13,677,515	12,873,465	11,819,679	10,730,874	11,068,604	11,781,321
Total OPEB liability - ending	<u>\$ 11,372,626</u>	<u>\$ 10,767,124</u>	<u>\$ 13,677,515</u>	<u>\$ 12,873,465</u>	<u>\$ 11,819,679</u>	<u>\$ 10,730,874</u>	<u>\$ 11,068,604</u>
Covered-employee payroll	\$ 16,283,755	\$ 15,740,440	\$ 15,356,765	\$ 14,893,881	\$ 13,814,411	\$ 13,435,454	\$ 12,916,238
Total OPEB liability as a percentage of covered-employee payroll	69.84%	68.40%	89.07%	86.43%	85.56%	79.87%	85.70%

The amounts presented for each fiscal year were actuarial determined at July 1 and rolled forward to the measurement date.

¹ This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

² No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

CITY OF OREGON CITY, OREGON
SCHEDULE OF THE PROPORTIONATE SHARE OF OPEB – RHIA
FOR THE LAST TEN FISCAL YEARS¹

PERS Retirement Health Insurance Account (RHIA)

Measurement Date June 30,	(a) City's proportion of the net OPEB liability (asset)	(b) City's proportionate share of the net OPEB liability (asset)	(c) Covered payroll	(b/c) City's proportionate share of the net OPEB liability (asset) as a percentage of its covered	Plan fiduciary net position as a percentage of the total OPEB liability
2023	0.15008210%	\$ (549,550)	\$ 16,283,755	-3.37%	201.6%
2022	0.14143504%	(502,568)	15,740,440	-3.19%	194.6%
2021	0.13721100%	(471,184)	15,356,765	-3.07%	183.9%
2020	0.12889383%	(262,634)	14,893,881	-1.76%	150.1%
2019	0.12428557%	(240,165)	13,814,411	-1.74%	144.4%
2018	0.12357764%	(137,947)	13,435,454	-1.03%	124.0%
2017	0.11810032%	(49,288)	12,916,238	-0.38%	108.9%

The amounts presented for each fiscal year were actuarial determined at December 31 and rolled forward to the measurement date.

¹This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

CITY OF OREGON CITY, OREGON
SCHEDULE OF CONTRIBUTIONS TO OPEB – RHIA
FOR THE LAST TEN FISCAL YEARS¹

PERS Retirement Health Insurance Account (RHIA)

Year Ended June 30,	(a) Contractually determined contribution	(b) Contributions in relation to the actuarially required contribution	(a-b) Contribution deficiency (excess)	(c) Covered payroll	(b/c) Contributions as a percent of covered payroll
2024	\$ 224	\$ 224	\$ -	\$ 17,271,160	0.00%
2023	2,749	2,749	-	16,283,755	0.02%
2022	3,132	3,132	-	15,740,440	0.02%
2021	3,310	3,310	-	15,356,765	0.02%
2020	8,449	8,449	-	14,893,881	0.06%
2019	58,059	58,059	-	13,814,411	0.42%
2018	57,087	57,087	-	13,435,454	0.42%
2017	55,599	55,599	-	12,916,238	0.43%

¹This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

CITY OF OREGON CITY, OREGON**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE LAST TEN FISCAL YEARS****Public Employees Retirement System (PERS)**

Measurement Date June 30,	(a) City's proportion of the net pension liability (asset)	(b) City's proportionate share of the net pension liability (asset)	(c) City's covered payroll	(b/c) City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	0.14759269%	\$ 27,645,124	\$ 16,283,755	169.77%	81.70%
2022	0.14375499%	22,011,774	15,740,440	139.84%	84.50%
2021	0.14064293%	16,830,008	15,356,765	109.59%	87.60%
2020	0.13575558%	29,626,537	14,893,881	198.92%	75.80%
2019	0.14107397%	24,402,418	13,814,411	176.64%	80.20%
2018	0.12784356%	19,366,617	13,435,454	144.15%	82.10%
2017	0.12661947%	17,068,354	12,916,238	132.15%	83.10%
2016	0.12480580%	18,736,249	11,561,433	162.06%	80.53%
2015	0.12813896%	7,357,049	11,671,425	63.03%	91.90%
2014	0.11809467%	(2,676,869)	10,524,989	-25.43%	103.60%

The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date.

CITY OF OREGON CITY, OREGON
SCHEDULE OF CONTRIBUTIONS – PENSION
FOR THE LAST TEN FISCAL YEARS

Public Employees Retirement System (PERS)

Year Ended June 30,	(a) Statutorily required contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution deficiency (excess)	(c) City covered payroll	(b/c) Contributions as a percent of covered payroll
2024	\$ 3,358,700	\$ 3,358,700	\$ -	\$ 17,271,160	19.45%
2023	3,101,136	3,101,136	-	16,283,755	19.04%
2022	2,958,394	2,958,394	-	15,740,440	18.79%
2021	2,611,885	2,611,885	-	15,356,765	17.01%
2020	2,458,197	2,458,197	-	14,893,881	16.50%
2019	1,806,645	1,806,645	-	13,814,411	13.08%
2018	1,707,646	1,707,646	-	13,435,454	12.71%
2017	1,162,608	1,162,608	-	12,916,238	9.00%
2016	1,122,770	1,122,770	-	11,561,433	9.71%
2015	1,027,122	1,027,122	-	11,671,425	8.80%

NOTE 1: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budget and Budgetary Accounting

According to City Charter and Oregon Law (ORS 294), the City of Oregon City must prepare and adopt a balanced budget. Local Budget law allows governments to budget either on a one-year or a two-year cycle, as approved by the governing body. The Oregon City budget is prepared for a biennial (two-year) period.

A budget is prepared for each fund in accordance with the modified accrual basis of accounting for all funds. Appropriations are made at the department level for all funds; expenditures which don't pertain to a specific department, such as debt or contingency, are appropriated for separately within each fund. Expenditures may not legally exceed appropriations. Appropriations lapse at the end of each budget period.

Budget amounts include original approved amounts and all subsequent budget amendments approved by the City Commission. Oregon Budget Law allows for amendments to the City budget for reasons unforeseen at the time of adoption. After budget approval, the Commission may adopt resolution changes that decrease one existing appropriation and increase another. Unexpected additional resources may be added to the budget through the use of appropriation resolutions or supplemental budget procedures in some cases. Supplemental budgets may require the use of public hearings. Management may not amend the budget. The City had two budget adjustments during the year.

Oregon state law requires disclosure of fund expenditures in excess of budgeted appropriations. For the 2023-2025 biennium, there were no expenditures exceeding budgeted appropriations.

NOTE 2: OPEB

A. Actuarial assumptions – CIS

Actuarial Assumptions and Methods Used to Set the Actuarially Determined Contributions:

Actuarial valuation:	July 1, 2022	July 1, 2020	July 1, 2018	July 1, 2016
Effective:	June 30, 2022 and 2023	June 30, 2020 and 2021	June 30, 2018 and 2019	June 30, 2016 and 2017
Actuarial cost method:	Entry Age Normal			
Amortization method:	Level percentage of payroll, closed			
Amortization period:	9.9 years	6.5 years	6.7 years	6.2 years
Remaining amortization periods:	10 years		20 years	
Actuarial assumptions:				
Inflation rate	2.40%	2.50%		
Projected salary increases	3.40%	3.50%		

B. Changes of assumptions – RHIA

The PERS Board adopted assumption changes that were used to measure the June 30, 2023 total OPEB liability. The changes include the lowering of the long-term expected rate of return from 7.20 to 6.90 percent and the inflation rate from 2.5 to 2.4 percent. In addition, the healthy healthcare participation and cost trend rates, and healthy mortality assumptions were changed to reflect an updated trends and mortality improvement scale for all groups.

C. Actuarial assumptions – RHIA

Actuarial Assumptions and Methods Used to Set the Actuarially Determined Contributions:

Actuarial valuation:	December 31, 2021	December 31, 2019	December 31, 2017	December 31, 2015	December 31, 2013
Effective:	July 2023 - June 2025	July 2021 - June 2023	July 2019 - June 2021	July 2017 - June 2019	July 2015 - June 2017
Actuarial cost method:	Entry Age Normal				
Amortization method:	Level percentage of payroll, closed				
Amortization period:	10 years				
Asset valuation method:	Market value				
Remaining amortization periods:	10 years			20 years	
Actuarial assumptions					
Inflation rate	2.40 percent		2.50 percent		2.75 percent
Projected salary increases	3.40 percent		3.50 percent		3.75 percent
Investment rate of return	6.90 percent		7.20 percent	7.50 percent	7.75 percent
Healthcare cost trend rates	None. Statute stipulates \$60 monthly payment for healthcare insurance				

NOTE 3: PENSIONS

A. Changes of assumptions

The PERS Board adopted assumption changes that were used to measure the June 30, 2016 total pension liability. The changes include the lowering of the long-term expected rate of return to 7.5 percent and lowering of the assumed inflation to 2.50 percent. In addition, the healthy mortality assumption was changed to reflect an updated mortality improvement scale for all groups, and assumptions were updated for merit increases, unused sick leave, and vacation pay. For June 30, 2018, the long-term expected rate of return was lowered to 7.20 percent. For June 30, 2021, the long-term expected rate of return was lowered to 6.90 percent, and the inflation rate was lowered from, 2.5 to 2.4 percent.

Changes in benefit terms

The 2013 Oregon Legislature made a series of changes to PERS that lowered projected future benefit payments from the System. These changes included reductions to future Cost of Living Adjustments (COLA) made through Senate Bills 822 and 861. Senate Bill 822 also required the contribution rates scheduled to be in effect from July 2013 to June 2015 to be reduced. The Oregon Supreme Court decision in *Moro v. State of Oregon*, issued on April 30, 2015, reversed a significant portion of the reductions the 2013 Oregon Legislature made to future System Cost of Living Adjustments (COLA) through Senate Bills 822 and 861. This reversal increased the total pension liability as of June 30, 2015 compared to June 30, 2014 total pension liability.

CITY OF OREGON CITY, OREGON
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2024

A legislative change that occurred after the December 31, 2017 valuation date affected the plan provisions reflected for financial reporting purposes. Senate Bill 1049, signed into law in June 2019, introduced a limit on the amount of annual salary included for the calculation of benefits. Beginning in 2020, annual salary in excess of \$195,000 (as indexed in future years) will be excluded when determining member benefits. As a result, future Tier 1/Tier 2 and OPSRP benefits for certain active members are now projected to be lower than prior to the legislation. Senate Bill 1049 was reflected in the June 30, 2019 Total Pension Liability as a reduction in liability.

A legislative change that occurred after the December 31, 2019 actuarial valuation date affected the plan provisions reflected for June 2021 financial reporting liability calculations. Senate Bill 111, enacted in June 2021, provides an increased pre-retirement death benefit for members who die on or after their early retirement age. For GASB 67 and GASB 68, the benefits valued in the total pension liability are required to be in accordance with the benefit terms legally in effect as of the relevant fiscal year-end for the plan. As a result, Senate Bill 111 was reflected in the June 30, 2021 total pension liability. While Senate Bill 111 also made changes to certain aspect of PERS funding and administration, the change in the death benefit provision is the only change that affects the measured total pension liability. As a result, the death benefit provision is the only difference between June 30, 2020 and June 30, 2021 in the plan provisions basis used to determine the total pension liability as of those two respective measurement dates.

B. Actuarial Assumptions

Actuarial Assumptions and Methods Used to Set the Actuarially Determined Contributions:

	December 31, 2021	December 31, 2019	December 31, 2017	December 31, 2015	December 31, 2013
Actuarial valuation	July 2023 - June 2025	July 2021 - June 2023	July 2019 - June 2021	July 2017 - June 2019	July 2015 - June 2017
Effective					
Actuarial cost method	Entry Age Normal				
Amortization method	Level percentage of payroll				
Asset valuation method	Market Value				
Remaining amortization periods	20 years				
Actuarial assumptions:					
Inflation rate	2.40 percent		2.50 percent		2.75 percent
Projected salary increases	3.40 percent		3.50 percent		
Investment rate of return	6.90 percent		7.20 percent	7.50 percent	7.75 percent

OTHER SUPPLEMENTARY INFORMATION

*Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual –
Major Capital Projects Fund*

CITY OF OREGON CITY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – COMMUNITY FACILITIES FUND
YEAR ENDED JUNE 30, 2024

	Budget Amounts		Actual			Variance
	Original	Final	FY 2024	FY 2025	Biennial	
REVENUES						
Charges for services	\$ 2,686,700	\$ 2,686,700	\$ 1,240,663	\$ -	\$ 1,240,663	\$ (1,446,037)
Fines and forfeitures	-	-	22,626	-	22,626	22,626
Interest	33,000	33,000	195,206	-	195,206	162,206
Miscellaneous	2,000,000	2,000,000	3,267	-	3,267	(1,996,733)
TOTAL REVENUES	4,719,700	4,719,700	1,461,762	-	1,461,762	(3,257,938)
EXPENDITURES						
Library	580,100	580,100	53,866	-	53,866	526,234
Contingency	8,502,800	8,502,800	-	-	-	8,502,800
TOTAL EXPENDITURES	9,082,900	9,082,900	53,866	-	53,866	9,029,034
REVENUES OVER (UNDER) EXPENDITURES	(4,363,200)	(4,363,200)	1,407,896	-	1,407,896	5,771,096
OTHER FINANCING SOURCES (USES)						
Transfers in	2,590,000	2,590,000	1,295,000	-	1,295,000	(1,295,000)
Transfers out	(2,210,600)	(2,210,600)	(1,104,500)	-	(1,104,500)	1,106,100
TOTAL OTHER FINANCING SOURCES (USES)	379,400	379,400	190,500	-	190,500	(188,900)
NET CHANGE IN FUND BALANCE	(3,983,800)	(3,983,800)	1,598,396	-	1,598,396	5,582,196
FUND BALANCE, beginning of year	3,983,800	3,983,800	3,876,784	-	3,876,784	(107,016)
FUND BALANCE, end of year	\$ -	\$ -	\$ 5,475,180	\$ -	\$ 5,475,180	\$ 5,475,180

*Combining and Individual Fund Financial
Statements and Schedules –
Nonmajor Governmental Funds*

CITY OF OREGON CITY, OREGON
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2024

	Special Revenue				Debt Service	
	Library	Planning	Park Donations	Building	Debt Service	Total
ASSETS						
Cash and cash equivalents	\$ 4,827,265	\$ 709,456	\$ 766,576	\$ 7,508,793	\$ 846,670	\$ 14,658,760
Receivables:						
Accounts	1,668	-	-	1,622	-	3,290
Prepays and deposits	1,312	112	-	208	-	1,632
TOTAL ASSETS	\$ 4,830,245	\$ 709,568	\$ 766,576	\$ 7,510,623	\$ 846,670	\$ 14,663,682
LIABILITIES						
Accounts payable	\$ 46,183	\$ 59,644	\$ 200	\$ 54,891	\$ -	\$ 160,918
Accrued payroll	70,382	29,365	-	55,764	-	155,511
TOTAL LIABILITIES	116,565	89,009	200	110,655	-	316,429
FUND BALANCES						
Non-spendable	1,312	112	-	208	-	1,632
Restricted for:						
Library operations	4,712,368	-	-	-	-	4,712,368
Building operations	-	-	-	7,399,760	-	7,399,760
Parks and recreation	-	-	766,376	-	-	766,376
Committed to:						
Debt service	-	-	-	-	846,670	846,670
Planning operations	-	620,447	-	-	-	620,447
TOTAL FUND BALANCES	4,713,680	620,559	766,376	7,399,968	846,670	14,347,253
TOTAL LIABILITIES AND FUND BALANCES	\$ 4,830,245	\$ 709,568	\$ 766,576	\$ 7,510,623	\$ 846,670	\$ 14,663,682

CITY OF OREGON CITY, OREGON

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS YEAR ENDED JUNE 30, 2024

	Special Revenue				Debt Service	
	Library	Planning	Park Donations	Building	Debt Service	Total
REVENUES						
Licenses and permits	\$ -	\$ 16,439	\$ -	\$ 2,329,713	\$ -	\$ 2,346,152
Charges for services	5,300	745,102	-	218,839	-	969,241
Intergovernmental	2,869,203	9,000	-	177	-	2,878,380
Interest income	207,977	38,661	29,905	290,442	51,747	618,732
Miscellaneous	22,999	1,457	101,237	9,634	1,538,460	1,673,787
TOTAL REVENUES	3,105,479	810,659	131,142	2,848,805	1,590,207	8,486,292
EXPENDITURES						
Culture and recreation	2,617,145	-	14,758	-	-	2,631,903
Community development	-	1,321,515	-	2,267,195	-	3,588,710
Debt service						
Principal	297,521	-	-	-	1,980,000	2,277,521
Interest	117,850	-	-	-	892,047	1,009,897
Capital Outlay	-	5,822	76,091	2,993	-	84,906
TOTAL EXPENDITURES	3,032,516	1,327,337	90,849	2,270,188	2,872,047	9,592,937
REVENUES OVER (UNDER) EXPENDITURES	72,963	(516,678)	40,293	578,617	(1,281,840)	(1,106,645)
OTHER FINANCING SOURCES (USES)						
Transfers in	290,000	326,000	-	-	1,104,500	1,720,500
Transfers out	-	(34,000)	-	(20,000)	-	(54,000)
TOTAL OTHER FINANCING SOURCES (USES)	290,000	292,000	-	(20,000)	1,104,500	1,666,500
NET CHANGE IN FUND BALANCE	362,963	(224,678)	40,293	558,617	(177,340)	559,855
FUND BALANCE, beginning of year, as previously reported	4,350,717	845,237	-	6,841,351	1,024,010	13,061,315
Adjustment - movement of continuing operations	-	-	726,083	-	-	726,083
FUND BALANCE, beginning of year, as adjusted	4,350,717	845,237	726,083	6,841,351	1,024,010	13,787,398
FUND BALANCE, end of year	\$ 4,713,680	\$ 620,559	\$ 766,376	\$ 7,399,968	\$ 846,670	\$ 14,347,253

*Schedules of Revenues, Expenditures and Changes
in Fund Balance – Budget and Actual – Nonmajor
Governmental Funds*

CITY OF OREGON CITY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – LIBRARY FUND YEAR ENDED JUNE 30, 2024

	Budget Amounts		Actual			Variance
	Original	Final	FY 2024	FY 2025	Biennial	
REVENUES						
Charges for services	\$ 7,900	\$ 7,900	\$ 5,300	\$ -	\$ 5,300	\$ (2,600)
Intergovernmental	5,564,600	5,564,600	2,869,203	-	2,869,203	(2,695,397)
Interest	62,000	62,000	207,977	-	207,977	145,977
Miscellaneous	11,000	11,000	22,999	-	22,999	11,999
TOTAL REVENUES	5,645,500	5,645,500	3,105,479	-	3,105,479	(2,540,021)
EXPENDITURES						
Library	5,949,600	5,949,600	2,617,145	-	2,617,145	3,332,455
Debt service						
Principal	604,200	604,200	297,521	-	297,521	306,679
Interest	226,600	226,600	117,850	-	117,850	108,750
Contingency	3,688,900	3,688,900	-	-	-	3,688,900
TOTAL EXPENDITURES	10,469,300	10,469,300	3,032,516	-	3,032,516	7,436,784
REVENUES OVER (UNDER) EXPENDITURES	(4,823,800)	(4,823,800)	72,963	-	72,963	4,896,763
OTHER FINANCING SOURCES (USES)						
Transfers in	580,000	580,000	290,000	-	290,000	(290,000)
TOTAL OTHER FINANCING SOURCES (USES)	580,000	580,000	290,000	-	290,000	(290,000)
NET CHANGE IN FUND BALANCE	(4,243,800)	(4,243,800)	362,963	-	362,963	4,606,763
FUND BALANCE, beginning of year	4,243,800	4,243,800	4,350,717	-	4,350,717	106,917
FUND BALANCE, end of year	\$ -	\$ -	\$ 4,713,680	\$ -	\$ 4,713,680	\$ 4,713,680

CITY OF OREGON CITY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – PLANNING FUND
YEAR ENDED JUNE 30, 2024

	Budget Amounts		Actual			Variance
	Original	Final	FY 2024	FY 2025	Biennial	
REVENUES						
Licenses and permits	\$ 33,900	\$ 33,900	\$ 16,439	\$ -	\$ 16,439	\$ (17,461)
Charges for services	2,591,100	2,591,100	745,102	-	745,102	(1,845,998)
Intergovernmental	33,700	33,700	9,000	-	9,000	(24,700)
Interest	15,000	15,000	38,661	-	38,661	23,661
Miscellaneous	-	-	1,457	-	1,457	1,457
TOTAL REVENUES	2,673,700	2,673,700	810,659	-	810,659	(1,863,041)
EXPENDITURES						
Community development	2,694,900	2,694,900	1,134,197	-	1,134,197	1,560,703
Special payments	1,200,000	1,200,000	193,140	-	193,140	1,006,860
Contingency	33,100	33,100	-	-	-	33,100
TOTAL EXPENDITURES	3,928,000	3,928,000	1,327,337	-	1,327,337	2,600,663
REVENUES OVER (UNDER) EXPENDITURES	(1,254,300)	(1,254,300)	(516,678)	-	(516,678)	737,622
OTHER FINANCING SOURCES (USES)						
Transfers in	672,000	672,000	326,000	-	326,000	(346,000)
Transfers out	(35,000)	(35,000)	(34,000)	-	(34,000)	1,000
TOTAL OTHER FINANCING SOURCES (USES)	637,000	637,000	292,000	-	292,000	(345,000)
NET CHANGE IN FUND BALANCE	(617,300)	(617,300)	(224,678)	-	(224,678)	392,622
FUND BALANCE, beginning of year	695,100	695,100	845,237	-	845,237	150,137
FUND BALANCE, end of year	\$ 77,800	\$ 77,800	\$ 620,559	\$ -	\$ 620,559	\$ 542,759

CITY OF OREGON CITY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – BUILDING FUND YEAR ENDED JUNE 30, 2024

	Budget Amounts		Actual			Variance
	Original	Final	FY 2024	FY 2025	Biennial	
REVENUES						
Licenses and permits	\$ 3,385,000	\$ 3,385,000	\$ 2,329,713	\$ -	\$ 2,329,713	\$ (1,055,287)
Charges for services	621,200	621,200	218,839	-	218,839	(402,361)
Intergovernmental	-	-	177	-	177	177
Interest	98,000	98,000	290,442	-	290,442	192,442
Miscellaneous	600	600	9,634	-	9,634	9,034
TOTAL REVENUES	4,104,800	4,104,800	2,848,805	-	2,848,805	(1,255,995)
EXPENDITURES						
Community development	4,417,200	4,417,200	2,054,258	-	2,054,258	2,362,942
Special payments	609,600	609,600	215,930	-	215,930	393,670
Contingency	5,545,200	5,545,200	-	-	-	5,545,200
TOTAL EXPENDITURES	10,572,000	10,572,000	2,270,188	-	2,270,188	8,301,812
REVENUES OVER (UNDER) EXPENDITURES	(6,467,200)	(6,467,200)	578,617	-	578,617	7,045,817
OTHER FINANCING SOURCES (USES)						
Transfers out	(40,000)	(40,000)	(20,000)	-	(20,000)	20,000
TOTAL OTHER FINANCING SOURCES (USES)	(40,000)	(40,000)	(20,000)	-	(20,000)	20,000
NET CHANGE IN FUND BALANCE	(6,507,200)	(6,507,200)	558,617	-	558,617	7,065,817
FUND BALANCE, beginning of year	6,507,200	6,507,200	6,841,351	-	6,841,351	334,151
FUND BALANCE, end of year	\$ -	\$ -	\$ 7,399,968	\$ -	\$ 7,399,968	\$ 7,399,968

CITY OF OREGON CITY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – PARK DONATIONS FUND
YEAR ENDED JUNE 30, 2024

	Budget Amounts		Actual			Variance
	Original	Final	FY 2024	FY 2025	Biennial	
REVENUES						
Interest	\$ -	\$ -	\$ 29,905	\$ -	\$ 29,905	\$ 29,905
Miscellaneous	176,400	176,400	101,237	-	101,237	(75,163)
TOTAL REVENUES	176,400	176,400	131,142	-	131,142	(45,258)
EXPENDITURES						
Culture and recreation	190,800	190,800	90,849	-	90,849	99,951
TOTAL EXPENDITURES	190,800	190,800	90,849	-	90,849	99,951
REVENUES OVER (UNDER) EXPENDITURES	(14,400)	(14,400)	40,293	-	40,293	54,693
OTHER FINANCING SOURCES (USES)						
Transfers in	727,229	727,229	726,083	-	726,083	(1,146)
TOTAL OTHER FINANCING SOURCES (USES)	727,229	727,229	726,083	-	726,083	(1,146)
NET CHANGE IN FUND BALANCE	712,829	712,829	766,376	-	766,376	53,547
FUND BALANCE, beginning of year	-	-	-	-	-	-
FUND BALANCE, end of year	\$ 712,829	\$ 712,829	\$ 766,376	\$ -	\$ 766,376	\$ 53,547

CITY OF OREGON CITY, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2024**

	Budget Amounts		Actual			Variance
	Original	Final	FY 2024	FY 2025	Biennial	
REVENUES						
Interest	\$ 58,000	\$ 58,000	\$ 51,747	\$ -	\$ 51,747	\$ (6,253)
Miscellaneous	3,143,400	3,143,400	1,538,460	-	1,538,460	(1,604,940)
TOTAL REVENUES	3,201,400	3,201,400	1,590,207	-	1,590,207	(1,611,193)
EXPENDITURES						
Debt service						
Principal	4,125,000	4,125,000	1,980,000	-	1,980,000	2,145,000
Interest	1,690,800	1,690,800	892,047	-	892,047	798,753
TOTAL EXPENDITURES	5,815,800	5,815,800	2,872,047	-	2,872,047	2,943,753
REVENUES OVER (UNDER) EXPENDITURES	(2,614,400)	(2,614,400)	(1,281,840)	-	(1,281,840)	1,332,560
OTHER FINANCING SOURCES (USES)						
Transfers in	2,210,600	2,210,600	1,104,500	-	1,104,500	(1,106,100)
NET CHANGE IN FUND BALANCE	(403,800)	(403,800)	(177,340)	-	(177,340)	226,460
FUND BALANCE, beginning of year	1,016,500	1,016,500	1,024,010	-	1,024,010	7,510
FUND BALANCE, end of year	\$ 612,700	\$ 612,700	\$ 846,670	\$ -	\$ 846,670	\$ 233,970

*Schedules of Revenues, Expenditures and Changes in Fund
Balance – Budget (Non-GAAP Basis) and Actual –
Proprietary Funds – Enterprise Funds*

CITY OF OREGON CITY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET (NON-GAAP BASIS) AND ACTUAL – WATER FUND YEAR ENDED JUNE 30, 2024

	Biennial Budget		Actual			
	Original	Final	FY 2024	FY 2025	Biennial	Variance
REVENUES						
Charges for services	\$ 17,570,400	\$ 17,570,400	\$ 8,986,163	\$ -	\$ 8,986,163	\$ (8,584,237)
System development charges	1,300,000	1,300,000	39,794	-	39,794	(1,260,206)
Intergovernmental	-	-	1,041	-	1,041	1,041
Interest	93,000	93,000	276,783	-	276,783	183,783
Miscellaneous	-	-	27,899	-	27,899	27,899
Total Revenues	18,963,400	18,963,400	9,331,680	-	9,331,680	(9,631,720)
EXPENDITURES						
Public Works	22,787,800	22,787,700	9,833,323	-	9,833,323	12,954,377
Special payments	1,300,000	1,300,000	39,794	-	39,794	1,260,206
Debt service						
Principal	1,900	1,950	948	-	-	1,950
Interest	1,000	1,050	533	-	-	1,050
Contingency	1,693,300	1,693,300	-	-	-	1,693,300
Total Expenditures	25,784,000	25,784,000	9,874,598	-	9,873,117	15,910,883
REVENUES OVER (UNDER) EXPENDITURES	(6,820,600)	(6,820,600)	(542,918)	-	(542,918)	6,277,682
OTHER FINANCING SOURCES (USES)						
Transfers out	(1,317,000)	(1,317,000)	(644,000)	-	(644,000)	673,000
TOTAL OTHER FINANCING SOURCES (USES)	(1,317,000)	(1,317,000)	(644,000)	-	(644,000)	673,000
NET CHANGE IN FUND BALANCE	(8,137,600)	(8,137,600)	(1,186,918)	-	(1,186,918)	6,950,682
FUND BALANCE, beginning of year	8,137,600	8,137,600	7,588,731	-	7,588,731	(548,869)
FUND BALANCE, end of year	\$ -	\$ -	\$ 6,401,813	\$ -	6,401,813	\$ 6,401,813

RECONCILIATION TO NET POSITION - GAAP BASIS

Adjustment for compensated absences accrual	(107,384)
Adjustment for capital assets, net of depreciation	46,148,119
Adjustment for capital assets not depreciated	2,376,461
Adjustment for interest in joint venture	13,708,016
Adjustment for net pension liability	(1,699,743)
Adjustment for net OPEB liability/asset	(665,450)
Adjustment for lease liability	(17,242)
Adjustment for accrued interest payable	(43)
Adjustment for deferred resources relating to pensions	383,665
Adjustment for deferred resources relating to OPEB	(151,026)

NET POSITION - GAAP BASIS

\$ 66,377,186

CITY OF OREGON CITY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET (NON-GAAP BASIS) AND ACTUAL – WASTEWATER FUND
YEAR ENDED JUNE 30, 2024

	Budget Amounts		Actual			Variance
	Original	Final	FY 2024	FY 2025	Biennial	
REVENUES						
Franchise taxes	\$ 681,800	\$ 681,800	\$ 354,977	\$ -	\$ 354,977	\$ (326,823)
Charges for services	26,732,100	26,732,100	13,388,938	-	13,388,938	(13,343,162)
System development charges	3,600,000	3,600,000	242,864	-	242,864	(3,357,136)
Intergovernmental	7,140,500	7,140,500	1,855,121	-	1,855,121	(5,285,379)
Interest	226,000	226,000	541,626	-	541,626	315,626
Miscellaneous	-	-	18,718	-	18,718	18,718
Total Revenues	38,380,400	38,380,400	16,402,244	-	16,402,244	(21,978,156)
EXPENDITURES						
Public works	31,416,300	31,416,200	10,087,656	-	10,087,656	21,328,544
Special payments	14,964,000	14,964,000	6,158,333	-	6,158,333	8,805,667
Debt service						
Principal	1,900	1,950	948	-	948	1,002
Interest	1,000	1,050	533	-	533	517
Contingency	1,953,300	1,953,300	-	-	-	1,953,300
Total Expenditures	48,336,500	48,336,500	16,247,470	-	16,247,470	32,089,030
REVENUES OVER (UNDER) EXPENDITURES	(9,956,100)	(9,956,100)	154,774	-	154,774	10,110,874
OTHER FINANCING SOURCES (USES)						
Transfers out	(1,173,000)	(1,173,000)	(575,000)	-	(575,000)	598,000
Total Other Financing Sources and Uses	(1,173,000)	(1,173,000)	(575,000)	-	(575,000)	598,000
NET CHANGE IN FUND BALANCE	(11,129,100)	(11,129,100)	(420,226)	-	(420,226)	10,708,874
FUND BALANCE, beginning of year	11,129,100	11,129,100	14,278,183	-	14,278,183	3,149,083
FUND BALANCE, end of year	\$ -	\$ -	\$ 13,857,957	\$ -	13,857,957	\$ 13,857,957

RECONCILIATION TO NET POSITION - GAAP BASIS

Adjustment for compensated absences accrual	(62,313)
Adjustment for capital assets, net of depreciation	25,299,300
Adjustment for capital assets not depreciated	6,567,083
Adjustment for receivables deferred	51,788
Adjustment for net pension liability	(1,155,458)
Adjustment for net OPEB liability/asset	(452,362)
Adjustment for lease liability	(17,242)
Adjustment for accrued interest payable	(43)
Adjustment for deferred resources relating to pensions	260,809
Adjustment for deferred resources relating to OPEB	(102,666)

NET POSITION - GAAP BASIS

\$ 44,246,853

CITY OF OREGON CITY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET (NON-GAAP BASIS) AND ACTUAL – STORMWATER FUND YEAR ENDED JUNE 30, 2024

	Biennial Budget		Actual			
	Original	Final	FY 2024	FY 2025	Biennial	Variance
REVENUES						
Charges for services	\$ 8,325,900	\$ 8,325,900	\$ 3,974,071	\$ -	\$ 3,974,071	\$ (4,351,829)
Intergovernmental	-	-	943	-	943	943
Interest	47,000	47,000	130,344	-	130,344	83,344
Miscellaneous	-	-	40,843	-	40,843	40,843
Total Revenues	8,372,900	8,372,900	4,146,201	-	4,146,201	(4,226,699)
EXPENDITURES						
Public works	9,549,400	9,549,300	3,412,714	-	3,412,714	6,136,586
Debt service						
Principal	1,900	1,950	948	-	948	1,002
Interest	1,000	1,050	533	-	533	517
Contingency	849,000	849,000	-	-	-	849,000
Total Expenditures	10,401,300	10,401,300	3,414,195	-	3,414,195	6,987,105
REVENUES OVER (UNDER) EXPENDITURES	(2,028,400)	(2,028,400)	732,006	-	732,006	2,760,406
OTHER FINANCING SOURCES (USES)						
Transfers out	(927,000)	(927,000)	(452,000)	-	(452,000)	475,000
Total Other Financing Sources and Uses	(927,000)	(927,000)	(452,000)	-	(452,000)	475,000
NET CHANGE IN FUND BALANCE	(2,955,400)	(2,955,400)	280,006	-	280,006	3,235,406
FUND BALANCE, beginning of year	2,955,400	2,955,400	3,329,649	-	3,329,649	374,249
FUND BALANCE, end of year	\$ -	\$ -	\$ 3,609,655	\$ -	3,609,655	\$ 3,609,655

RECONCILIATION TO NET POSITION - GAAP BASIS

Adjustment for compensated absences accrual	(69,661)
Adjustment for capital assets, net of depreciation	17,808,590
Adjustment for capital assets not depreciated	1,177,687
Adjustment for net pension liability	(1,346,461)
Adjustment for net OPEB liability/asset	(527,140)
Adjustment for lease liability	(17,242)
Adjustment for accrued interest payable	(43)
Adjustment for deferred resources relating to pensions	303,922
Adjustment for deferred resources relating to OPEB	(119,636)

NET POSITION - GAAP BASIS

\$ 20,819,671

*Combining and Individual Fund Financial Statements –
Internal Service Funds*

CITY OF OREGON CITY, OREGON
COMBINING STATEMENT OF NET POSITION –
INTERNAL SERVICE FUNDS
JUNE 30, 2024

	Fleet Service	Customer Service	Equipment Replacement	Total
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 27,031	\$ 184,279	\$ 8,426,320	\$ 8,637,630
Accounts receivable	-	3,392	55,416	58,808
Inventories	40,866	-	-	40,866
Prepays and deposits	-	-	8,544	8,544
Total Current Assets	67,897	187,671	8,490,280	8,745,848
Noncurrent Assets				
Capital assets, net of depreciation	3,944	-	2,328,075	2,332,019
Lease assets, net of amortization	-	-	354,159	354,159
Subscription assets, net of amortization	-	-	76,961	76,961
OPEB asset	-	15,284	-	15,284
Total Noncurrent Assets	3,944	15,284	2,759,195	2,778,423
Total Assets	71,841	202,955	11,249,475	11,524,271
DEFERRED OUTFLOWS OF RESOURCES				
Deferred resources related to pensions	-	240,179	-	240,179
Deferred resources related to OPEB	-	43,360	-	43,360
Total Deferred Outflows of Resources	-	283,539	-	283,539
LIABILITIES				
Current Liabilities				
Accounts payable	44,765	14,619	96,066	155,450
Accrued payroll liabilities	-	32,236	-	32,236
Accrued interest payable	-	-	5,690	5,690
Current portion of long-term liabilities:				
Lease payable	-	-	84,758	84,758
Subscription payable	-	-	31,125	31,125
Accrued compensated absences	-	7,000	-	7,000
Total Current Liabilities	44,765	53,855	217,639	316,259
Noncurrent Liabilities				
Lease payable	-	-	219,108	219,108
Subscription payable	-	-	37,224	37,224
Accrued compensated absences	-	28,002	-	28,002
Net pension liability	-	768,874	-	768,874
OPEB liability	-	316,299	-	316,299
Total Noncurrent Liabilities	-	1,113,175	256,332	1,369,507
Total Liabilities	44,765	1,167,030	473,971	1,685,766
DEFERRED INFLOWS OF RESOURCES				
Deferred resources related to pensions	-	66,630	-	66,630
Deferred resources related to OPEB	-	111,677	-	111,677
Total Deferred Inflows of Resources	-	178,307	-	178,307
NET POSITION:				
Net investment in capital assets	3,944	-	2,292,239	2,296,183
Restricted for:				
OPEB benefits	-	15,284	-	15,284
Unrestricted	23,132	(874,127)	8,483,265	7,632,270
Total Net Position	\$ 27,076	\$ (858,843)	\$ 10,775,504	\$ 9,943,737

CITY OF OREGON CITY, OREGON
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION –
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2024

	<u>Fleet Service</u>	<u>Customer Service</u>	<u>Equipment Replacement</u>	<u>Total</u>
OPERATING REVENUES				
Charges for services	\$ 517,905	\$ 1,631,451	\$ -	\$ 2,149,356
Miscellaneous	669	150	79,365	80,184
	<u>518,574</u>	<u>1,631,601</u>	<u>79,365</u>	<u>2,229,540</u>
OPERATING EXPENSES				
Personnel services	-	831,192	-	831,192
Materials and services	498,241	699,768	16,883	1,214,892
Depreciation and Amortization	988	-	432,650	433,638
	<u>499,229</u>	<u>1,530,960</u>	<u>449,533</u>	<u>2,479,722</u>
OPERATING INCOME (LOSS)	19,345	100,641	(370,168)	(250,182)
NONOPERATING REVENUES (EXPENSES)				
Gain (loss) on sale of assets	-	-	1,982	1,982
Intergovernmental	-	-	14,397	14,397
Investment revenue	486	5,135	351,940	357,561
Interest Expense	-	-	(6,891)	(6,891)
	<u>486</u>	<u>5,135</u>	<u>361,428</u>	<u>367,049</u>
NET INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	19,831	105,776	(8,740)	116,867
Transfers in	-	-	1,392,000	1,392,000
Transfers out	-	(3,000)	-	(3,000)
CHANGE IN NET POSITION	19,831	102,776	1,383,260	1,505,867
Beginning net position	<u>7,245</u>	<u>(961,619)</u>	<u>9,392,244</u>	<u>8,437,870</u>
Ending net position	<u>\$ 27,076</u>	<u>\$ (858,843)</u>	<u>\$ 10,775,504</u>	<u>\$ 9,943,737</u>

CITY OF OREGON CITY, OREGON
COMBINING STATEMENT OF CASH FLOWS – INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2024

	Fleet Service	Customer Service	Equipment Replacement	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Collections from other funds	\$ 517,905	\$ 1,630,660	\$ -	\$ 2,148,565
Other receipts	669	150	79,365	80,184
Paid to suppliers	(529,863)	(691,590)	(158,941)	(1,380,394)
Paid to employees	-	(845,546)	-	(845,546)
Net cash provided by (used in) operating activities	(11,289)	93,674	(79,576)	2,809
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Transfers out	-	(3,000)	-	(3,000)
Net cash provided by (used in) non-capital Financing activities	-	(3,000)	-	(3,000)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	-	-	(1,405,952)	(1,405,952)
Transfers in	-	-	1,392,000	1,392,000
Proceeds from disposal of capital assets	-	-	110,325	110,325
Principal paid on leases and subscriptions	-	-	(134,921)	(134,921)
Interest paid on leases and subscriptions	-	-	(4,588)	(4,588)
Intergovernmental	-	-	14,397	14,397
Net cash used in capital and related Financing activities	-	-	(28,739)	(28,739)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on cash and cash equivalents	486	5,199	352,919	358,604
Increase in cash and cash equivalents	(10,803)	95,873	244,604	329,674
CASH AND CASH EQUIVALENTS, Beginning of year	37,834	88,406	8,181,716	8,307,956
CASH AND CASH EQUIVALENTS, End of year	\$ 27,031	\$ 184,279	\$ 8,426,320	\$ 8,637,630
RECONCILIATION OF OPERATING INCOME TO CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ 19,345	\$ 100,641	\$ (370,168)	\$ (250,182)
Depreciation expense	988	-	432,650	433,638
Change in assets and liabilities				
Accounts receivable	-	(791)	(33,380)	(34,171)
Prepays and deposits	-	-	(8,544)	(8,544)
Inventory	(40,866)	-	-	(40,866)
Accounts payable and accrued liabilities	9,244	4,808	(100,134)	(86,082)
Net pension liability	-	127,905	-	127,905
Net OPEB asset/liability	-	2,117	-	2,117
Deferred outflows	-	26,843	-	26,843
Deferred inflows	-	(167,849)	-	(167,849)
Net cash provided by (used in) operating activities	\$ (11,289)	\$ 93,674	\$ (79,576)	\$ 2,809
NONCASH INVESTING, CAPITAL AND RELATED FINANCING ACTIVITIES				
Lease and subscription liability activity	\$ -	\$ -	\$ 316,220	\$ 316,220
Lease and subscription asset activity	-	-	(316,220)	(316,220)
Capital contributions	-	-	-	-
	\$ -	\$ -	\$ -	\$ -

*Schedules of Revenues, Expenditures and Changes in Fund
Balance – Budget (Non-GAAP Basis) and Actual –
Proprietary Funds – Internal Service Funds*

CITY OF OREGON CITY, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET (NON-GAAP BASIS)
AND ACTUAL – FLEET SERVICE FUND
YEAR ENDED JUNE 30, 2024**

	Biennial Budget		Actual		Biennial	Variance
	Original	Final	FY 2024	FY 2025		
REVENUES						
Charges for services	\$ 624,800	\$ 1,024,800	\$ 517,905	\$ -	\$ 517,905	\$ (506,895)
Interest	-	-	486	-	486	486
Miscellaneous	-	-	669	-	669	669
Total Revenues	624,800	1,024,800	519,060	-	519,060	(505,740)
EXPENDITURES						
Public works	596,800	996,800	498,241	-	498,241	498,559
Contingency	37,800	37,800	-	-	-	37,800
Total Expenditures	634,600	1,034,600	498,241	-	498,241	536,359
REVENUES OVER (UNDER) EXPENDITURES	(9,800)	(9,800)	20,819	-	20,819	30,619
NET CHANGE IN FUND BALANCE	(9,800)	(9,800)	20,819	-	20,819	30,619
FUND BALANCE, beginning of year	9,800	9,800	2,313	-	2,313	(7,487)
FUND BALANCE, end of year	\$ -	\$ -	\$ 23,132	\$ -	23,132	\$ 23,132
RECONCILIATION TO NET POSITION - GAAP BASIS						
Adjustment for capital assets, net of depreciation					3,944	
NET POSITION - GAAP BASIS					\$ 27,076	

CITY OF OREGON CITY, OREGON

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET (NON-GAAP BASIS)
AND ACTUAL – CUSTOMER SERVICE FUND
YEAR ENDED JUNE 30, 2024**

	Biennial Budget		Actual		Biennial	Variance
	Original	Final	FY 2024	FY 2025		
REVENUES						
Charges for services	\$ 3,270,400	\$ 3,270,400	\$ 1,631,451	\$ -	\$ 1,631,451	(1,638,949)
Interest	3,000	3,000	5,135	-	5,135	2,135
Miscellaneous	-	-	150	-	150	150
Total Revenues	3,273,400	3,273,400	1,636,736	-	1,636,736	(1,636,664)
EXPENDITURES						
Policy and administration	3,207,800	3,207,800	1,544,998	-	1,544,998	1,662,802
Contingency	100,500	100,500	-	-	-	100,500
Total Expenditures	3,308,300	3,308,300	1,544,998	-	1,544,998	1,763,302
REVENUES OVER (UNDER) EXPENDITURES	(34,900)	(34,900)	91,738	-	91,738	126,638
OTHER FINANCING SOURCES (USES)						
Transfers out	(6,000)	(6,000)	(3,000)	-	(3,000)	3,000
NET CHANGE IN FUND BALANCE	(40,900)	(40,900)	88,738	-	88,738	129,638
FUND BALANCE, beginning of year	40,900	40,900	52,078	-	52,078	11,178
FUND BALANCE, end of year	\$ -	\$ -	\$ 140,816	\$ -	140,816	\$ 140,816

RECONCILIATION TO NET POSITION - GAAP BASIS

Adjustment for compensated absences accrual	(35,002)
Adjustment for net pension liability	(768,874)
Adjustment for net OPEB liability/asset	(301,015)
Adjustment for deferred resources relating to pensions	173,549
Adjustment for deferred resources relating to OPEB	(68,317)

NET POSITION - GAAP BASIS

\$ (858,843)

CITY OF OREGON CITY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET (NON-GAAP BASIS) AND ACTUAL – EQUIPMENT REPLACEMENT FUND YEAR ENDED JUNE 30, 2024

	Budget Amounts		Actual			
	Original	Final	FY 2024	FY 2025	Biennial	Variance
REVENUES						
Intergovernmental	\$ -	\$ -	\$ 14,397	\$ -	\$ 14,397	\$ (14,397)
Interest	111,000	111,000	352,727	-	352,727	241,727
Miscellaneous	-	-	189,690	-	189,690	189,690
Total Revenues	111,000	111,000	556,814	-	556,814	445,814
EXPENDITURES						
Police	920,400	1,115,500	888,182	-	888,182	227,318
Parks and recreation	605,000	605,000	241,310	-	241,310	363,690
General government	28,400	28,400	14,200	-	14,200	14,200
Community development	34,000	34,000	34,000	-	34,000	-
Public works	1,593,900	1,593,900	656,103	-	656,103	937,797
Debt service						
Principal	-	268,600	134,921	-	134,921	133,679
Interest	-	13,900	4,588	-	4,588	9,312
Total Expenditures	3,181,700	3,659,300	1,973,304	-	1,973,304	1,685,996
REVENUES OVER (UNDER) EXPENDITURES	(3,070,700)	(3,548,300)	(1,416,490)	-	(1,416,490)	2,131,810
OTHER FINANCING SOURCES (USES)						
Proceeds from Lease Obligations	-	316,300	316,220	-	316,220	(80)
Transfers in	2,902,000	2,902,000	1,392,000	-	1,392,000	(1,510,000)
TOTAL OTHER FINANCING SOURCES (USES)	2,902,000	3,218,300	1,708,220	-	1,708,220	(1,510,080)
NET CHANGE IN FUND BALANCE	(168,700)	(330,000)	291,730	-	291,730	621,730
FUND BALANCE, beginning of year	7,237,300	7,398,600	8,102,484	-	8,102,484	703,884
FUND BALANCE, end of year	\$ 7,068,600	\$ 7,068,600	\$ 8,394,214	\$ -	8,394,214	\$ 1,325,614
RECONCILIATION TO NET POSITION - GAAP BASIS						
Adjustment for capital assets, net of depreciation					2,759,195	
Adjustment for lease liability					(303,866)	
Adjustment for subscription liability					(68,349)	
Adjustment for accrued interest					(5,690)	
NET POSITION - GAAP BASIS					\$ 10,775,504	

Other Financial Schedules

CITY OF OREGON CITY, OREGON
SCHEDULE OF FUTURE DEBT SERVICE REQUIREMENTS
YEAR ENDED JUNE 30, 2024

Fiscal Year

<i>Ending June 30,</i>	<i>2015 Library General Obligation Bonds</i>			<i>2018 Full Faith and Credit Bonds CSAF</i>		
	<i>Principal</i>	<i>Interest</i>	<i>Total</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2025	\$ 306,685	\$ 108,686	\$ 415,371	\$ 610,000	\$ 496,100	\$ 1,106,100
2026	316,130	99,240	415,370	630,000	471,700	1,101,700
2027	325,867	89,504	415,371	655,000	446,500	1,101,500
2028	335,904	79,467	415,371	685,000	420,300	1,105,300
2029	346,250	69,121	415,371	710,000	392,900	1,102,900
2030	356,914	58,457	415,371	745,000	357,400	1,102,400
2031	367,907	47,464	415,371	785,000	320,150	1,105,150
2032	379,239	36,132	415,371	825,000	280,900	1,105,900
2033	390,919	24,451	415,370	865,000	239,650	1,104,650
2034	402,960	12,411	415,371	905,000	196,400	1,101,400
2035	-	-	-	945,000	160,200	1,105,200
2036	-	-	-	980,000	122,400	1,102,400
2037	-	-	-	1,020,000	83,200	1,103,200
2038	-	-	-	1,060,000	42,400	1,102,400
	<u>\$ 3,528,775</u>	<u>\$ 624,933</u>	<u>\$ 4,153,708</u>	<u>\$ 11,420,000</u>	<u>\$ 4,030,200</u>	<u>\$ 15,450,200</u>

CITY OF OREGON CITY, OREGON
SCHEDULE OF FUTURE DEBT SERVICE REQUIREMENTS (Continued)
YEAR ENDED JUNE 30, 2024

<i>2005 PERS UAL Bond</i>		
<i>Principal</i>	<i>Interest</i>	<i>Total</i>
\$ 1,535,000	\$ 302,742	\$ 1,837,742
1,690,000	225,931	1,915,931
1,850,000	141,363	1,991,363
975,000	48,789	1,023,789
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
<u>\$ 6,050,000</u>	<u>\$ 718,825</u>	<u>\$ 6,768,825</u>

CITY OF OREGON CITY, OREGON**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND OUTSTANDING BALANCES****YEAR ENDED JUNE 30, 2024****City of Oregon City**

Tax Year	Uncollected Balances June 30, 2023	2023-2024 Levy	Interest, Discounts & Adjustments	Turnovers	Uncollected Balances June 30, 2024
2023-24	\$ -	\$ 17,801,420	\$ (508,092)	\$ (16,888,500)	\$ 404,828
2022-23	442,248	-	(2,472)	(338,317)	101,459
2021-22	94,802	-	1,803	(41,773)	54,832
2020-21	45,755	-	4,005	(29,159)	20,601
2019-20	17,138	-	2,071	(12,623)	6,586
2018-19 and prior	26,207	-	(1,247)	(1,983)	22,977
Total	<u>\$ 626,150</u>	<u>\$ 17,801,420</u>	<u>\$ (503,932)</u>	<u>\$ (17,312,355)</u>	<u>\$ 611,283</u>

Oregon City Urban Renewal

Tax Year	Uncollected Balances June 30, 2023	2023-2024 Levy	Interest, Discounts & Adjustments	Turnovers	Uncollected Balances June 30, 2024
2023-24	\$ -	\$ -	\$ -	\$ -	\$ -
2022-23	91,872	-	(510)	(65,280)	26,082
2021-22	20,194	-	384	(8,897)	11,681
2020-21	9,796	-	858	(6,243)	4,411
2019-20	3,954	-	478	(2,913)	1,519
2018-19 and prior	5,148	-	(59)	(617)	4,472
Total	<u>\$ 130,964</u>	<u>\$ -</u>	<u>\$ 1,151</u>	<u>\$ (83,950)</u>	<u>\$ 48,165</u>

STATISTICAL SECTION



STATISTICAL SECTION

This part of the financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	130
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	140
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	144
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	148
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the service the City provides and the activities it performs.	150

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year(s).

CITY OF OREGON CITY, OREGON
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS – UNAUDITED
(Accrual basis of accounting)

	2024	2023	2022	2021
Governmental activities				
Net investment in capital assets	\$ 161,318,410	\$ 159,771,923	\$ 158,820,509	\$ 150,702,278
Restricted for special purposes	59,808,973	54,726,514	40,590,633	30,249,491
Unrestricted	<u>(9,595,694)</u>	<u>(12,902,365)</u>	<u>(16,010,159)</u>	<u>(10,684,129)</u>
Total governmental activities net position	211,531,689	201,596,072	183,400,983	170,267,640
Business-type activities				
Net investment in capital assets	100,349,927	92,038,220	80,790,568	79,362,840
Restricted for special purposes	98,808	86,685	86,963	49,517
Unrestricted	<u>40,938,712</u>	<u>41,046,387</u>	<u>36,431,949</u>	<u>32,883,732</u>
Total business-type activities net position	141,387,447	133,171,292	117,309,480	112,296,089
Total government				
Net investment in capital assets	261,668,337	251,810,143	239,611,077	230,065,118
Restricted for special purposes	59,907,781	54,813,199	40,677,596	30,299,008
Unrestricted	<u>31,343,018</u>	<u>28,144,022</u>	<u>20,421,790</u>	<u>22,199,603</u>
Total government net position	<u>\$ 352,919,136</u>	<u>\$ 334,767,364</u>	<u>\$ 300,710,463</u>	<u>\$ 282,563,729</u>

2020	2019	2018	2017	2016	2015
\$ 123,436,477	\$ 112,838,180	\$ 107,219,008	\$ 98,512,736	\$ 91,671,741	\$ 82,947,522
32,090,793	21,511,494	22,910,088	20,405,260	20,684,505	22,714,219
4,466,022	6,854,069	(905,713)	5,185,965	1,150,993	4,215,385
<u>159,993,292</u>	<u>141,203,743</u>	<u>129,223,383</u>	<u>124,103,961</u>	<u>113,507,239</u>	<u>109,877,126</u>
76,121,011	73,993,057	69,904,459	66,828,362	62,178,638	59,613,791
43,775	26,004	-	-	-	-
<u>31,203,807</u>	<u>27,383,090</u>	<u>23,901,172</u>	<u>25,143,381</u>	<u>22,862,191</u>	<u>21,559,003</u>
107,368,593	101,402,151	93,805,631	91,971,743	85,040,829	81,172,794
199,557,488	186,831,237	177,123,467	165,341,098	153,850,379	127,971,313
32,134,568	21,537,498	22,910,088	20,405,260	20,684,505	37,304,219
<u>35,669,829</u>	<u>34,237,159</u>	<u>22,995,459</u>	<u>30,329,346</u>	<u>24,013,184</u>	<u>25,774,388</u>
<u><u>\$ 267,361,885</u></u>	<u><u>\$ 242,605,894</u></u>	<u><u>\$ 223,029,014</u></u>	<u><u>\$ 216,075,704</u></u>	<u><u>\$ 198,548,068</u></u>	<u><u>\$ 191,049,920</u></u>

CITY OF OREGON CITY, OREGON
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS – UNAUDITED
(Accrual basis of accounting)

	2024	2023	2022	2021
Expenses:				
Governmental activities:				
General government	\$ 10,716,020	\$ 9,385,154	\$ 8,466,143	\$ 9,010,937
Public safety	13,013,336	13,124,090	12,153,036	13,853,016
Public works	8,790,708	8,337,604	8,050,720	8,145,420
Culture and recreation	9,112,168	9,563,967	8,190,792	7,938,164
Community development	4,259,193	3,619,719	3,307,988	3,318,339
Interest on long-term debt	936,726	1,028,158	1,128,589	1,308,150
Total governmental activities expenses	<u>46,828,151</u>	<u>45,058,692</u>	<u>41,297,268</u>	<u>43,574,026</u>
Business-type activities:				
Water	8,121,871	7,827,537	7,436,503	8,044,736
Wastewater	12,539,985	12,904,231	12,663,573	11,034,218
Stormwater	4,088,225	2,902,744	2,832,689	2,838,118
Fleet	948,762	666,036	570,003	897,408
Interest on long-term debt	8,484	6,690	-	-
Total business-type activities expenses	<u>25,707,327</u>	<u>24,307,238</u>	<u>23,502,768</u>	<u>22,814,480</u>
Total City expenses	72,535,478	69,365,930	64,800,036	66,388,506
Program Revenues:				
Governmental activities:				
Fees, fines, and charges for services:				
General government	3,908,561	2,935,993	2,941,009	2,813,688
Public safety	2,073,352	1,869,583	1,829,059	1,518,937
Public works	4,245,162	4,099,160	3,873,286	3,878,554
Culture and recreation	1,408,344	1,446,327	1,088,194	597,643
Community development	3,310,093	3,442,999	3,910,752	2,962,631
Operating grants and contributions	7,500,878	16,000,474	7,384,170	7,229,665
Capital grants and contributions	3,995,177	10,109,047	6,380,476	6,986,238
Total governmental activities program revenues	<u>26,441,567</u>	<u>39,903,583</u>	<u>27,406,946</u>	<u>25,987,356</u>
Business-type activities:				
Fees, fines, and charges for services:				
Water	10,617,613	10,107,086	9,303,164	9,352,368
Wastewater	13,388,938	12,651,383	11,832,573	11,528,849
Stormwater	3,974,071	3,729,541	3,372,416	3,225,188
Fleet	517,905	325,314	305,775	236,503
Operating grants and contributions	2,839,044	2,357,840	617,182	498,110
Capital grants and contributions	717,435	3,522,854	2,910,827	1,759,790
Total business-type activities program revenues	<u>32,055,006</u>	<u>32,694,018</u>	<u>28,341,937</u>	<u>26,600,808</u>
Total City program revenues	58,496,573	72,597,601	55,748,883	52,588,164
Net (Expense)/Revenue				
Governmental activities	(20,386,584)	(5,155,109)	(13,890,322)	(17,586,670)
Business-type activities	<u>6,347,679</u>	<u>8,386,780</u>	<u>4,839,169</u>	<u>3,786,328</u>
Total Net (Expense) Revenue	(14,038,905)	3,231,671	(9,051,153)	(13,800,342)

2020	2019	2018	2017	2016	2015
\$ 9,373,368	\$ 8,577,496	\$ 7,448,383	\$ 7,947,344	\$ 7,547,409	\$ 3,528,340
11,793,974	10,883,771	11,595,492	10,842,456	11,383,715	8,309,944
7,738,706	6,978,502	6,867,970	6,876,632	6,685,545	5,319,822
7,405,747	6,245,678	6,375,010	5,835,146	5,524,614	5,072,036
3,470,850	2,906,968	2,891,302	2,907,659	3,174,168	3,382,547
1,589,947	1,732,088	1,407,996	1,339,404	1,430,985	1,417,462
41,372,592	37,324,503	36,586,153	35,748,641	35,746,436	27,030,151
6,252,361	6,462,476	6,431,175	5,453,642	5,640,772	4,518,351
10,514,584	9,898,303	9,792,585	8,561,317	8,212,827	6,791,908
2,922,440	2,548,229	2,474,327	2,204,164	2,386,425	1,771,529
556,526	1,252,333	1,012,240	965,043	875,496	805,419
-	-	-	-	-	-
20,245,911	20,161,341	19,710,327	17,184,166	17,115,520	13,887,207
61,618,503	57,485,844	56,296,480	52,932,807	52,861,956	40,917,358
2,664,024	2,885,237	2,932,559	1,808,279	1,216,065	1,380,937
1,864,235	2,076,802	2,192,706	2,272,781	1,602,172	925,225
3,704,502	3,520,298	3,438,000	2,956,226	4,954,538	3,363,184
708,777	977,308	990,222	884,343	1,503,604	917,908
4,810,896	3,360,863	2,989,087	3,765,135	2,931,522	2,306,216
6,567,385	6,103,603	5,474,992	5,095,057	5,006,825	4,570,141
12,115,164	5,564,471	3,062,693	7,907,564	877,610	1,192,708
32,434,983	24,488,582	21,080,259	24,689,385	18,092,336	14,656,319
8,598,561	8,833,873	8,169,832	7,206,477	6,833,922	6,021,672
11,094,148	10,893,729	10,181,048	10,476,356	9,618,375	7,961,224
3,133,103	3,000,968	2,836,265	2,713,307	2,625,274	2,495,762
229,911	277,811	197,002	233,146	201,492	201,316
322,487	776,722	479,274	353,942	172,917	278,178
3,308,978	3,422,338	930,731	3,149,009	1,171,711	2,430,291
26,687,188	27,205,441	22,794,152	24,132,237	20,623,691	19,388,443
59,122,171	51,694,023	43,874,411	48,821,622	38,716,027	34,044,762
(8,937,609)	(12,835,921)	(15,505,894)	(11,059,256)	(17,654,100)	(12,373,832)
6,441,277	7,044,100	3,083,825	6,948,071	3,508,171	5,501,236
(2,496,332)	(5,791,821)	(12,422,069)	(4,111,185)	(14,145,929)	(6,872,596)

CITY OF OREGON CITY, OREGON
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS – UNAUDITED (Continued)
(Accrual basis of accounting)

	2024	2023	2022	2021
General revenues and other changes in net position				
Governmental activities				
Property taxes	\$ 17,274,465	\$ 18,760,606	\$ 18,516,695	\$ 17,428,521
Franchise taxes	4,683,625	4,491,261	4,585,159	4,068,338
Intergovernmental	1,261,868	1,308,887	1,205,956	1,327,256
Miscellaneous	3,551,330	3,311,476	2,900,428	2,768,689
Unrestricted investment earnings	3,649,378	1,811,814	17,874	620,882
Gain (loss) on disposition of assets	(60,907)	-	-	2,344,863
Transfers	(37,558)	(6,346,650)	40,884	(697,531)
Total governmental activities	<u>30,322,201</u>	<u>23,337,394</u>	<u>27,266,996</u>	<u>27,861,018</u>
Business-type activities				
Franchise taxes	354,977	334,174	314,206	302,700
Miscellaneous	167,645	55,650	33,299	26,536
Unrestricted investment earnings	1,306,314	734,806	(87,935)	124,789
Gain (loss) on disposition of assets	1,982	-	-	(10,388)
Transfers	37,558	6,346,650	(40,884)	697,531
Total business-type activities	<u>1,868,476</u>	<u>7,471,280</u>	<u>218,686</u>	<u>1,141,168</u>
Total City General Revenues and Other Changes	<u>32,190,677</u>	<u>30,808,674</u>	<u>27,485,682</u>	<u>29,002,186</u>
Changes in net position				
Governmental activities	9,935,617	18,182,285	13,376,674	10,274,348
Business-type activities	8,216,155	15,858,060	5,057,855	4,927,496
Total changes in net position	<u>18,151,772</u>	<u>34,040,345</u>	<u>18,434,529</u>	<u>15,201,844</u>
Net position, July 1*				
Governmental activities	201,596,072	183,413,787	170,024,309	159,993,292
Business-type activities	133,171,292	117,313,232	112,251,625	107,368,593
Total Government	<u>334,767,364</u>	<u>300,727,019</u>	<u>282,275,934</u>	<u>267,361,885</u>
Net position, June 30				
Governmental activities	211,531,689	201,596,072	183,400,983	170,267,640
Business-type activities	141,387,447	133,171,292	117,309,480	112,296,089
Total Government	<u>\$ 352,919,136</u>	<u>\$ 334,767,364</u>	<u>\$ 300,710,463</u>	<u>\$ 282,563,729</u>

* Beginning net position as restated

2020	2019	2018	2017	2016	2015
\$ 16,907,896	\$ 15,734,726	\$ 15,145,511	\$ 14,636,241	\$ 13,987,720	\$ 13,490,590
3,913,647	3,810,988	3,780,955	3,634,332	3,541,761	3,199,473
1,227,741	1,122,464	961,015	919,857	920,764	911,419
3,212,807	2,157,187	1,938,632	1,487,831	1,782,997	1,709,104
1,266,427	1,778,747	858,521	503,858	364,128	228,512
-	-	-	-	-	302,450
1,198,640	212,169	(403,508)	473,859	523,873	7,884,435
27,727,158	24,816,281	22,281,126	21,655,978	21,121,243	27,725,983
291,325	281,811	268,785	258,220	237,075	-
90,922	35,394	41,622	74,071	-	132
341,558	447,384	173,245	124,411	91,944	99,191
-	-	(5,000)	-	-	-
(1,198,640)	(212,169)	403,508	(473,859)	(523,873)	(7,884,435)
(474,835)	552,420	882,160	(17,157)	(194,854)	(7,785,112)
27,252,323	25,368,701	23,163,286	21,638,821	20,926,389	19,940,871
18,789,549	11,980,360	6,775,232	10,596,722	3,467,143	15,352,151
5,966,442	7,596,520	3,965,985	6,930,914	3,313,317	(2,283,876)
24,755,991	19,576,880	10,741,217	17,527,636	6,780,460	13,068,275
141,203,743	129,223,383	122,448,151	113,507,239	110,040,096	94,524,975
101,402,151	93,805,631	89,839,646	85,040,829	81,727,512	83,456,670
242,605,894	223,029,014	212,287,797	198,548,068	191,767,608	177,981,645
159,993,292	141,203,743	129,223,383	124,103,961	113,507,239	109,877,126
107,368,593	101,402,151	93,805,631	91,971,743	85,040,829	81,172,794
\$ 267,361,885	\$ 242,605,894	\$ 223,029,014	\$ 216,075,704	\$ 198,548,068	\$ 191,049,920

CITY OF OREGON CITY, OREGON
FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS – UNAUDITED
 (Modified accrual basis of accounting)

	2024	2023	2022	2021
General fund				
Nonspendable	\$ 149,841	\$ 110,009	\$ 41,999	\$ 39,091
Restricted	1,826,084	1,633,208	1,244,458	1,087,675
Committed	-	-	-	-
Assigned	-	726,083	-	-
Unassigned	13,215,475	11,471,152	11,978,819	10,030,813
Total General fund	<u>15,191,400</u>	<u>13,940,452</u>	<u>13,265,276</u>	<u>11,157,579</u>
All other governmental funds				
Nonspendable	445,657	166,015	98,297	7,719
Restricted	61,483,812	56,764,633	41,452,329	34,745,375
Committed	2,279,163	3,637,413	3,903,337	9,321,329
Assigned	1,800,961	1,566,811	1,141,676	985,600
Total all other governmental funds	<u>66,009,593</u>	<u>62,134,872</u>	<u>46,595,639</u>	<u>45,060,023</u>
Total Fund Balances	<u>\$ 81,200,993</u>	<u>\$ 76,075,324</u>	<u>\$ 59,860,915</u>	<u>\$ 56,217,602</u>

2020	2019	2018	2017	2016	2015
\$ 47,055	\$ 73,356	\$ 60,555	\$ 116,000	\$ 59,641	\$ 58,978
-	-	-	-	-	-
-	-	-	-	908,882	-
-	-	-	-	-	-
11,471,979	9,743,445	8,504,753	7,154,174	6,470,357	6,130,187
<u>11,519,034</u>	<u>9,816,801</u>	<u>8,565,308</u>	<u>7,270,174</u>	<u>7,438,880</u>	<u>6,189,165</u>
68,806	-	-	-	-	-
33,455,087	30,101,001	28,507,504	27,474,611	21,343,249	36,527,532
23,082,261	34,862,477	31,836,218	18,462,121	18,177,135	3,771,034
-	-	-	-	-	-
<u>56,606,154</u>	<u>64,963,478</u>	<u>60,343,722</u>	<u>45,936,732</u>	<u>39,520,384</u>	<u>40,298,566</u>
<u>\$ 68,125,188</u>	<u>\$ 74,780,279</u>	<u>\$ 68,909,030</u>	<u>\$ 53,206,906</u>	<u>\$ 46,959,264</u>	<u>\$ 46,487,731</u>

CITY OF OREGON CITY, OREGON
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS – UNAUDITED
(Modified accrual basis of accounting)

	2024	2023	2022	2021
Revenues				
Taxes and assessments	\$ 22,527,988	\$ 24,151,849	\$ 23,131,570	\$ 22,182,017
Licenses and permits	2,632,088	2,416,014	2,623,553	2,044,658
Charges for services	11,305,962	19,216,482	15,444,949	14,849,305
Intergovernmental	10,269,168	17,768,079	9,818,819	11,056,263
Fines and forfeitures	1,206,047	1,005,239	988,878	1,122,184
Other income	6,602,869	4,428,734	2,173,432	2,735,164
Total revenues	54,544,122	68,986,397	54,181,201	53,989,591
Expenditures				
Current operating:				
General government	9,403,555	8,818,994	7,841,285	8,504,268
Police	12,892,962	12,533,144	11,978,424	11,540,358
Public works	4,949,577	4,825,150	4,728,311	4,609,579
Culture and recreation	7,776,656	7,677,854	6,546,281	6,258,861
Community development	3,588,710	3,605,346	3,560,477	2,824,222
Capital outlay	7,808,561	6,670,415	13,369,194	27,057,260
Debt service				
Principal	2,614,637	2,384,981	1,972,223	7,995,560
Interest	1,021,778	1,109,827	1,210,548	1,430,478
Total expenditures	50,056,436	47,625,711	51,206,743	70,220,586
Revenues Over (under)				
Expenditures	4,487,686	21,360,686	2,974,458	(16,230,995)
Other financing sources (uses)				
Bond proceeds / loan payments	-	-	-	-
Lease financing	-	-	6,855	-
Subscription financing	355,983	366,177	-	-
Proceeds from sale of assets	-	-	-	3,235,873
Transfers in	3,256,648	4,299,904	3,632,504	3,564,470
Transfers out	(2,974,648)	(9,812,358)	(2,970,504)	(2,476,934)
Total other financing sources (uses)	637,983	(5,146,277)	668,855	4,323,409
Net change in fund balances	5,125,669	16,214,409	3,643,313	(11,907,586)
Fund balances, beginning of year *	76,075,324	59,860,915	56,217,602	68,125,188
Fund balances, end of year	\$ 81,200,993	\$ 76,075,324	\$ 59,860,915	\$ 56,217,602
Debt service as a percentage of noncapital expenditures	8.61%	8.53%	8.41%	21.84%

* Beginning Fund balance as restated

2020	2019	2018	2017	2016	2015
\$ 21,359,427	\$ 20,492,362	\$ 19,379,452	\$ 18,542,705	\$ 17,755,055	\$ 16,687,226
3,124,882	2,375,163	1,990,219	2,833,057	2,459,320	1,896,408
12,383,762	11,487,131	11,828,492	12,498,856	9,120,163	6,418,879
11,815,929	7,768,005	6,517,167	6,444,900	5,896,615	5,699,850
1,196,988	1,687,984	1,710,193	1,147,459	818,239	1,072,132
4,359,714	3,947,242	2,731,589	2,355,231	2,408,042	2,441,958
54,240,702	47,757,887	44,157,112	43,822,208	38,457,434	34,216,453
8,328,582	7,075,536	6,921,135	6,508,052	5,813,700	5,005,356
10,926,748	10,518,832	10,550,480	9,650,718	8,834,120	8,086,250
4,228,792	3,951,711	3,920,948	4,049,196	6,398,448	2,927,280
5,765,222	5,434,738	5,388,647	4,909,619	4,614,517	4,677,846
3,113,420	2,714,752	2,729,888	2,849,608	2,676,958	3,362,390
26,782,351	8,885,376	13,002,143	7,354,648	7,314,482	6,242,932
2,548,164	2,405,290	1,792,649	2,065,241	2,124,053	1,681,868
1,681,033	1,821,630	1,368,281	1,351,616	1,442,688	1,412,972
63,374,312	42,807,865	45,674,171	38,738,698	39,218,966	33,396,894
(9,133,610)	4,950,022	(1,517,059)	5,083,510	(761,532)	819,559
-	-	16,157,183	-	-	6,000,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	302,500
6,283,870	4,403,677	2,406,016	3,718,183	3,517,364	75,663,161
(3,805,351)	(3,482,450)	(1,344,016)	(2,554,051)	(2,341,599)	(67,945,292)
2,478,519	921,227	17,219,183	1,164,132	1,175,765	14,020,369
(6,655,091)	5,871,249	15,702,124	6,247,642	414,233	14,839,928
74,780,279	68,909,030	53,206,906	46,959,264	46,545,031	31,647,803
\$ 68,125,188	\$ 74,780,279	\$ 68,909,030	\$ 53,206,906	\$ 46,959,264	\$ 46,487,731
11.56%	12.46%	9.67%	10.89%	11.18%	11.40%

CITY OF OREGON CITY, OREGON

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Real Property		Other Property ⁽²⁾		Total TAV	Total Estimated Actual Value ⁽¹⁾	Ratio of TAV to Estimated Actual Value	Direct Tax rate
	Taxable Assessed Value (TAV)	Estimated Actual Value ⁽¹⁾	Taxable Assessed Value (TAV)	Estimated Actual Value ⁽¹⁾				
2024	3,812,449,883	7,720,837,079	224,521,836	243,803,185	4,036,971,719	7,964,640,264	50.7%	4.4090
2023	3,647,673,936	7,417,940,334	199,576,495	209,998,129	3,847,250,431	7,627,938,463	50.4%	5.0293
2022	3,499,410,044	6,352,681,365	189,602,420	196,533,796	3,689,012,464	6,549,215,161	56.3%	5.0478
2021	3,371,989,490	5,752,105,482	184,647,638	180,339,835	3,556,637,128	5,932,445,317	60.0%	5.0511
2020	3,219,622,683	5,468,065,833	175,933,009	176,287,179	3,395,555,692	5,644,353,012	60.2%	5.1231
2019	3,064,848,212	5,098,679,755	172,780,575	168,516,154	3,237,628,787	5,267,195,909	61.5%	5.0613
2018	2,926,103,506	4,605,880,344	163,399,115	54,773,309	3,089,502,621	4,660,653,653	66.3%	5.0479
2017	2,883,655,457	4,178,977,212	54,773,309	52,451,145	2,938,428,766	4,231,428,357	69.4%	5.1248
2016	2,749,493,939	3,698,124,952	52,451,145	48,468,773	2,801,945,084	3,746,593,725	74.8%	5.1222
2015	2,641,700,255	3,279,405,424	48,468,773	50,536,919	2,690,169,028	3,329,942,343	80.8%	5.1446

⁽¹⁾ The State of Oregon calls Actual Value "Real Market Value"

⁽²⁾ Includes Personal Property, Manufactured Structures and Public Utilities

Source: Clackamas County Tax Assessor

CITY OF OREGON CITY, OREGON
PROPERTY TAX RATES – DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	City Direct Rates				Overlapping Rates						Total Direct and Overlapping
	General Operating	Bonded Debt	Urban Renewal Agency	Total Direct	Oregon City School District	Clackamas Community College	Education Service District	Clackamas County ⁽¹⁾	Other Districts ⁽²⁾	Total Overlapping	
2024	4.4090	-	0.0000	4.4090	6.1876	0.8015	0.3661	3.4039	3.6410	14.4001	18.8091
2023	4.1682	-	0.8611	5.0293	5.9085	0.7691	0.3462	3.2420	2.9762	13.2420	18.2713
2022	4.1611	-	0.8867	5.0478	5.8871	0.6849	0.3459	3.1207	2.9761	13.0147	18.0625
2021	4.1598	-	0.8913	5.0511	5.8509	0.7005	0.3459	3.1171	3.0073	13.0217	18.0728
2020	4.1595	-	0.9636	5.1231	5.8495	0.6899	0.3484	3.1155	3.0941	13.0974	18.2205
2019	4.1795	-	0.8818	5.0613	5.6854	0.7034	0.3484	3.1307	2.9049	12.7728	17.8341
2018	4.1861	0.0000	0.8618	5.0479	5.7947	0.7060	0.3484	3.1346	2.8623	12.8460	17.8939
2017	4.1963	0.0894	0.8391	5.1248	6.0329	0.7057	0.3494	3.0414	2.8417	12.9711	18.0959
2016	4.2054	0.1100	0.8068	5.1222	6.0983	0.7102	0.3503	3.0437	2.8426	13.0451	18.1673
2015	4.1990	0.1065	0.8391	5.1446	6.1101	0.6712	0.3500	3.0369	2.8672	13.0354	18.1800

⁽¹⁾ County includes County Library and 4-H County Extension

⁽²⁾ Other includes Fire District, Port of Portland, Vector Control, Metro

Source: Clackamas County Assessor and Tax Collector

CITY OF OREGON CITY, OREGON
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	Type of Business	2024			2015		
		Assessed Value	Rank	Percentage of Total Value	Assessed Value	Rank	Percentage of Total Value
Portland General Electric Company	Utility	60,964,000	1	1.51%	22,223,000	3	0.83%
The Landing - 302 LLC	Real Estate	59,006,196	2	1.46%	43,853,625	1	1.63%
Quantum Management	Apartments	28,727,629	3	0.71%	21,376,055	4	0.79%
Northwest Natural Gas Co.	Utility	28,695,000	4	0.71%	13,392,700	10	0.50%
Timberview 180 Limited Partnership	Real Estate	26,031,208	5	0.54%			
Kiewit Infrastructure West Co	Construction	25,705,724	6	0.48%			
Loja Trails End LLC	Real Estate	24,827,972	7	0.60%			
Orchid Orthopedic Solutions Oregon Inc	Health Services	23,748,623	8	0.51%			
Craig T Danielson	Real Estate	23,332,259	9	0.56%	16,733,836	7	0.62%
Providence Health	Health Services	22,732,401	10	0.55%	14,334,923	9	0.52%
Comcast Corporation	Utility				23,997,300	2	
Metropolitan Life Insurance Company	Retail				20,119,512	5	0.75%
Trails End Oregon Investors LLC	Real Estate				18,752,307	6	0.70%
Investment Concepts Inc	Real Estate				14,681,594	8	0.55%
Subtotal - ten of the City's largest taxpayers		323,771,012		7.63%	209,464,852		6.06%
All other City taxpayers in Clackamas County		3,713,200,707		92.37%	2,480,704,176		93.94%
<i>Total City taxpayers</i>		<u>\$ 4,036,971,719</u>		<u>100.00%</u>	<u>\$ 2,690,169,028</u>		<u>100.00%</u>

Source: Clackamas County Tax Assessor

Taxpayers ranked according to assessed taxes, not assessed value.

CITY OF OREGON CITY, OREGON
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Total Extended Tax Levy	Current Tax Collections (Within Year)	Percent of Current Taxes Collected	Subsequent Years Collections	Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Total Tax Levy
2024	17,801,420	16,958,089	95.26%	-	16,958,089	95.26%	332,033	1.87%
2023	16,043,879	15,358,864	95.73%	125,768	15,358,864	95.73%	235,592	1.47%
2022	15,336,496	14,581,716	95.08%	185,630	14,581,716	95.08%	305,118	1.99%
2021	14,784,687	14,148,000	95.69%	102,171	14,250,171	96.38%	109,335	0.74%
2020	14,155,665	13,527,462	95.56%	152,661	13,680,123	96.64%	58,952	0.42%
2019	13,518,480	12,927,465	95.63%	165,236	13,092,701	96.85%	14,032	0.10%
2018	12,935,275	12,316,356	95.22%	208,307	12,524,663	96.83%	5,443	0.04%
2017	12,596,284	12,008,721	95.34%	195,071	12,203,792	96.88%	3,603	0.03%
2016	12,105,761	11,512,412	95.10%	232,341	11,744,753	97.02%	2,731	0.02%
2015	11,576,491	10,996,578	94.99%	262,284	11,258,862	97.26%	2,548	0.02%

* FY 2022 Subsequent Years Collections restated

Sources: Clackamas County Assessor and Tax Collector

CITY OF OREGON CITY, OREGON
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Legal debt margin calculation for fiscal year ended June 30, 2024

Total property real market value	\$ 7,964,640,264
	3%
Debt limit (3% of total property real market value) ⁽¹⁾	238,939,208
Amount of debt applicable to debt limit:	
Total bonded debt	22,078,304
Less debt excluded from debt limit:	
Limited obligation bonds	(18,549,529)
Net amount of debt applicable to limit	3,528,775
Legal debt margin - amount available for future indebtedness	\$ 235,410,433
Percentage of City's indebtedness to total allowed	1.48%

	2024	2023	2022	2021	2020
Debt limit	\$ 238,939,208	\$ 228,838,154	\$ 196,476,455	\$ 178,270,859	\$ 169,452,170
Debt applicable to maximum limit	3,528,775	3,826,296	4,114,927	4,394,934	4,666,574
Legal debt margin available	<u>\$ 235,410,433</u>	<u>\$ 225,011,858</u>	<u>\$ 192,361,528</u>	<u>\$ 173,875,925</u>	<u>\$ 164,785,596</u>

Debt applicable to the maximum limit as a percentage of debt limit	1.48%	1.67%	2.09%	2.47%	2.75%
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	2019	2018	2017	2016	2015
Debt limit	\$ 158,249,008	\$ 143,231,895	\$ 127,012,516	\$ 112,517,283	\$ 99,836,226
Debt applicable to maximum limit	4,930,098	5,185,748	5,433,759	6,059,360	6,657,772
Legal debt margin available	<u>\$ 153,318,910</u>	<u>\$ 138,046,147</u>	<u>\$ 121,578,757</u>	<u>\$ 106,457,923</u>	<u>\$ 93,178,454</u>

Debt applicable to the maximum limit as a percentage of debt limit	3.12%	3.62%	4.28%	5.39%	6.67%
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⁽¹⁾ Pursuant to Oregon Revised Statutes 287A.050, outstanding general obligation debt is limited to three percent of real market value.

Sources: Annual financial statements and Clackamas County Assessor and Tax Collector

CITY OF OREGON CITY, OREGON
RATIO OF OUTSTANDING DEBT BY TYPE AND DEBT PER CAPITA
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Governmental Activities					Business-type Activities					Percentage of Personal Income ⁽²⁾	Total Debt per Capita ⁽²⁾
	Oregon City				Urban Renewal					Total Primary Government		
	General Obligation Bonds	Limited Obligation Bonds ⁽¹⁾	Capital Leases	Capital Subscriptions	Tax Increment Bonds	Sewer Revenue Bonds	Capital Leases	Capital Subscriptions				
2024	\$ 3,528,775	\$ 18,549,529	\$ 95,575	\$ 388,054	\$ -	\$ -	\$ 355,592	\$ 68,349	\$ 22,985,874	-- *		\$ 604
2023	3,826,296	20,606,638	103,488	398,068	-	-	158,338	104,823	25,197,651	0.84%		662
2022	4,114,927	22,508,747	367,015	-	-	-	57,330	-	26,990,689	0.98%		720
2021	4,394,934	24,270,856	-	-	-	-	-	-	28,665,790	1.12%		760
2020	4,666,574	25,897,965	-	-	6,173,920	-	-	-	36,738,459	1.59%		1,024
2019	4,930,098	27,400,074	-	-	7,033,560	-	-	-	39,363,732	1.84%		1,107
2018	5,185,748	27,250,000	-	-	7,868,200	-	-	-	40,303,948	1.98%		1,156
2017	5,433,759	13,370,000	-	-	8,677,840	1,475,000	-	-	28,956,599	1.53%		837
2016	6,059,360	14,020,000	-	-	9,467,480	1,925,000	-	-	31,471,840	1.74%		919
2015	6,657,772	14,590,000	-	-	10,237,120	2,350,000	-	-	33,834,892	1.98%		997

* amount unavailable at date of publication

⁽¹⁾ Presented net of related premiums, discounts, and adjustments

⁽²⁾ Personal income and population data can be found in the demographic statistics later in this section.

Source: Annual Financial Reports

CITY OF OREGON CITY, OREGON

RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO ACTUAL VALUE AND ASSESSED VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Population ⁽¹⁾	Total Estimated Actual Value ⁽²⁾	Total Taxable Assessed Value ⁽³⁾	Gross GO Bonded Debt ⁽⁴⁾	Debt Service Reserves	Net GO Bonded Debt	Ratio of Net GO Bonded Debt to Actual Value	Ratio of Net GO Bonded Debt to Assessed Value	Net GO Bonded Debt per Capita
2024	38,049	\$ 7,964,640,264	\$ 4,036,971,719	\$ 3,528,775	\$ -	\$ 3,528,775	0.04%	0.09%	\$ 93
2023	37,471	7,627,938,463	3,847,250,431	3,826,296	-	3,826,296	0.05%	0.10%	102
2022	37,737	6,549,215,161	3,689,012,464	4,114,927	-	4,114,927	0.06%	0.11%	109
2021	35,885	5,932,445,317	3,556,637,128	4,394,934	-	4,394,934	0.07%	0.12%	122
2020	35,570	5,644,353,012	3,395,555,692	4,666,574	-	4,666,574	0.08%	0.14%	131
2019	34,860	5,267,195,909	3,237,628,787	4,930,098	-	4,930,098	0.09%	0.15%	141
2018	34,610	4,660,653,653	3,089,502,621	5,185,748	-	5,185,748	0.11%	0.17%	150
2017	34,240	4,231,428,357	2,938,428,766	5,433,759	(96,672)	5,337,087	0.13%	0.18%	156
2016	33,940	3,746,593,725	2,801,945,084	6,059,360	(69,805)	5,989,555	0.16%	0.21%	176
2015	33,760	3,329,942,343	2,690,169,028	6,657,772	(48,780)	6,608,992	0.20%	0.25%	196

⁽¹⁾ Portland State University, Annual Population Statistics

⁽²⁾ The State of Oregon calls Actual Value "Real Market Value"

⁽³⁾ Clackamas County Tax Assessor

⁽⁴⁾ June 30 principal balance, annual financial statements - City only

CITY OF OREGON CITY, OREGON
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2024

Jurisdiction	Estimated Actual Value	Outstanding Net Property- Tax Based Debt ⁽¹⁾	Percentage Applicable to City ⁽²⁾	Amount Applicable to City
Direct:				
City of Oregon City	\$ 7,964,640,264	\$ 22,985,873	100.00%	\$ 22,985,873
Overlapping districts:				
Clackamas Community College	85,871,847,224	117,601,792	9.27%	10,907,566
Clackamas County	117,323,711,170	100,575,000	6.79%	6,827,634
Clackamas County Education Service District	112,869,415,814	26,603,764	7.06%	1,877,295
Clackamas County Fire District #1	52,964,044,647	21,642,113	15.04%	3,254,498
Oregon City School District No. 62	13,863,155,445	258,697,607	57.45%	148,626,690
Clackamas Soil & Water Conservation	117,323,711,170	5,035,000	6.79%	341,806
Metro	436,418,925,503	765,485,443	1.82%	13,945,614
Port of Portland	479,861,013,594	-	1.64%	-
Total overlapping districts		<u>1,295,640,719</u>		<u>185,781,103</u>
Total		<u>\$ 1,318,626,592</u>		<u>\$ 208,766,976</u>

Overlapping governments are those that overlap the geographic boundaries of the City. This schedule calculates the portion of the outstanding debt of those overlapping governments that is taxed to the residents and businesses of the City.

Outstanding Net Property-tax Backed Debt of \$11,420,000 for the City of Oregon City excludes bond premium of \$1,079,529.

⁽¹⁾ Net Property-tax Backed Debt is Gross Property-tax Backed Debt less Self-supporting Unlimited-tax General Obligation Debt and less Self-Supporting Full Faith & Credit Debt.

⁽²⁾ The percentage applicable to the City for each overlapping district is calculated by dividing the estimated actual value of the City by the estimated actual value of the respective overlapping district.

Source: Oregon State Treasury (including percentage applicable to the City)

CITY OF OREGON CITY, OREGON
POPULATION STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Population ⁽¹⁾	Personal Income (in thousands)	Per Capita Personal Income ⁽²⁾	School Enrollment ⁽³⁾	County Unemployment Rate ⁽⁴⁾
2024	38,049	*	*	7,136	3.6%
2023	37,471	3,007,760	80,269	7,191	3.9%
2022	37,737	2,759,669	73,129	7,115	3.8%
2021	35,885	2,565,921	71,504	7,319	6.6%
2020	35,570	2,304,616	64,791	8,018	5.1%
2019	34,860	2,139,533	61,375	7,835	3.6%
2018	34,610	2,038,633	58,903	7,874	3.7%
2017	34,240	1,893,849	55,311	7,425	3.9%
2016	33,940	1,812,735	53,410	8,029	4.6%
2015	33,760	1,713,050	50,742	7,994	5.5%

* amount unavailable at date of publication

⁽¹⁾ Center for Population Research and Census, School of Urban and Public Affairs,
Portland State University

⁽²⁾ Bureau of Economic Analysis (amounts are for Clackamas County, revised as of November 14, 2024)

⁽³⁾ Oregon Department of Education (amounts are for Oregon City School District)

⁽⁴⁾ Oregon Employment Department (amounts are for Clackamas County)

CITY OF OREGON CITY, OREGON
PRINCIPAL EMPLOYERS
THIS YEAR AND NINE YEARS AGO

Employer	Type of Business	2024			2015		
		Employees	Rank	Percentage of total City employment	Employees	Rank	Percentage of total City employment
Clackamas County	Government	2,473	1	17.71%	1,983	1	13.77%
Oregon City School District	Education	1,073	2	7.68%	867	3	6.02%
Clackamas Community College	Education	756	3	5.41%	913	2	6.34%
Providence Health	Health Services	625	4	4.47%	789	4	5.48%
Benchmade Knife Co., Inc	Manufacturing	413	5	2.96%	179	8	1.24%
Home Depot	Retail	275	6	1.97%	208	7	1.44%
Fred Meyer	Retail	329	7	2.36%	279	5	1.94%
City of Oregon City	Government	258	8	1.85%	236	6	1.64%
Orchid Orthopedic Solutions Oregon, Inc	Health Services	255	9	1.83%	106	10	0.74%
Ivory Coast Management LLC DBA McDor	Retail	197	10	1.41%			0.00%
Safeway	Retail				137	9	0.95%
Total		6,654		47.65%	5,697		39.55%

Source: City of Oregon City - Business Licenses

CITY OF OREGON CITY, OREGON
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

<i>Function</i>	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General government										
Number of job applications processed	2,547	2,053	1,817	1,027	1,250	1,700	1,585	1,654	1,175	1,472
Number of positions filled	76	57	65	68	60	76	87	96	79	80
Public Safety *										
Calls for service	29,377	29,949	28,011	27,337	29,559	36,079	24,200	24,000	23,600	23,465
Number of arrests	1,386	1,526	1,455	1,258	1,395	1,549	1,520	1,500	1,437	1,682
Municipal court cases processed	5,409	3,448	5,498	7,172	6,195	10,060	7,800	6,900	7,769	6,024
Public Works										
Hundred cubic feet of water consumed (Million)	2.1	2.3	2.0	2.0	1.8	2.0	1.5	1.5	1.5	1.4
Number of water customers (Average)	11,705	11,677	11,661	11,464	11,440	11,609	11,285	10,700	10,614	10,445
Culture and recreation										
Pioneer Community Center (Senior Center)										
People transportation provided for	5,939	5,992	5,453	5,515	5,951	7,863	7,961	8,150	8,146	7,811
Meals on Wheels delivered	37,110	32,944	34,030	32,427	30,844	32,195	32,092	30,147	30,800	29,716
Congregate meals served at Center	7,561	4,320	1,744	3,696	7,168	8,189	8,119	7,518	7,701	7,973
Swimming Pool										
Number of visits	97,215	97,876	83,852	20,900	148,305	117,640	138,665	138,807	141,520	141,715

Source: City of Oregon City Finance Department

* Numbers are estimated for 2017, 2018

CITY OF OREGON CITY, OREGON
CAPITAL ASSETS BY FUNCTION
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Governmental activities:										
General government										
City-owned building facilities	1	1	1	1	1	1	1	1	1	1
Public Safety										
Police stations	1	1	1	1	1	1	1	1	1	1
Police/Code vehicles	52	47	50	49	46	44	40	38	37	34
Public Works										
Buildings and facilities	2	2	2	2	2	2	2	1	1	1
Miles of streets	146	145	144	144	144	142	139	136	136	136
Miles of sidewalks	165	164	163	158	158	157	147	145	141	135
Acres of right-of-ways	1,194	1,194	1,188	1,183	1,183	1,179	1,125	1,125	1,125	1,125
Signalized intersections	55	55	54	49	49	49	52	50	50	49
Culture and recreation										
Buildings and facilities	7	7	7	7	7	7	7	6	6	6
Library building	1	1	1	1	1	1	1	1	1	1
Swimming pool	1	1	1	1	1	1	1	1	1	1
Parks	27	27	27	26	25	25	25	25	25	25
Community development										
Buildings and facilities	1	1	1	1	1	1	1	-	-	-
Business-type activities:										
Water										
Miles of water mains	176	175	175	173	173	170	169	169	167	163
Reservoirs	5	5	5	5	5	5	5	5	5	5
Fire hydrants	1,547	1,533	1,529	1,508	1,508	1,494	1,478	1,478	1,464	1,458
Sewer										
Miles of sewer lines	139	138	138	138	137	136	133	133	133	132
Pump stations	14	14	14	14	14	14	14	14	14	12
Stormwater										
Drainage basins	23	23	23	23	22	23	23	23	23	23
Detention ponds	95	92	90	85	85	86	83	83	83	79
Catch basins	4,581	4,555	4,517	4,506	4,469	4,242	4,235	4,235	4,235	4,202
Miles of streams	33	33	33	33	33	33	31	31	31	31

Notes:

Public Works and Community Services purchased facilities in 2018 for future development.
Community Development relocated to its own facility in 2018.

Source: City of Oregon City Finance department

CITY OF OREGON CITY, OREGON
CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Function / Program								
	Policy & Administration	Public Safety	Public Works	Culture and Recreation	Community Development	Water	Storm	Sewer	Total
2024	27.99	61.73	17.87	60.39	16.25	13.35	10.43	16.46	224.47
2023	26.76	59.98	18.17	57.22	14.25	13.55	10.66	15.73	216.32
2022	26.76	59.98	18.17	57.22	14.25	13.55	10.66	15.73	216.32
2021	25.62	59.48	19.12	53.87	13.00	13.10	10.03	16.15	210.37
2020	25.62	59.48	19.12	53.87	13.00	13.10	10.03	16.15	210.37
2019	24.66	58.48	18.69	53.12	14.00	12.96	10.16	16.55	208.62
2018	24.66	58.48	18.69	53.12	14.00	12.96	10.16	16.55	208.62
2017	22.21	56.48	16.11	49.88	14.53	13.27	10.37	16.56	196.30
2016	22.21	56.48	16.11	49.88	14.53	13.27	10.37	16.56	196.30
2015	19.87	56.50	15.11	43.77	11.54	13.27	10.37	14.75	185.18

In Fiscal Year 2024, the City added an Assistant City Manager, a Part Time Community Engagement Specialist, a Case Worker, a Code Enforcement Officer, a Part Time Background Investigator, a Parks Maintenance Specialist, a Facilities Maintenance Supervisor, additional Part Time Aquatics hours, a Plans Examiner, and an Community Development Administrative Assistant.

In Fiscal Year 2022, the City added an Administrative Assistant, Library Technology Specialist, a Library Safety Officer, and an additional Building Inspector.

In Fiscal Year 2020, the City added a Traffic Sergeant, a Parks Maintenance Specialist, and a Facilities Maintenance Specialist, while also eliminating a limited duration position.

In Fiscal Year 2018, the Police Department added a homeless liaison officer and two school resource officers.

In Fiscal Year 2016, the City brought the Information Technology contract in house and hired IT staff.

Source: City of Oregon City Finance Department

REGULATORY SECTION



INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS

To the Honorable Mayor and City Commissioners
City of Oregon City
Oregon City, Oregon

We have audited the basic financial statements of the City of Oregon City (the City) as of and for the year ended June 30, 2024, and have issued our report thereon dated December 3, 2024. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to the following:

- **Deposit of public funds with financial institutions (ORS Chapter 295).**
- **Indebtedness limitations, restrictions and repayment.**
- **Budgets legally required (ORS Chapter 294).**
- **Insurance and fidelity bonds in force or required by law.**
- **Programs funded from outside sources.**
- **Highway revenues used for public highways, roads, and streets.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**

In connection with our testing nothing came to our attention that caused us to believe the City was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations except as follows:

Public Contracts and Purchasing

The City entered into a new contract during the current fiscal year without following public contract and purchasing laws. As the purchase was for an intermediate procurement, the City should have obtained at least three quotes or proposals for the services but only one was obtained.

INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS, CONTINUED

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses or significant deficiencies. However, material weaknesses or significant deficiencies may exist that were not identified.

Restriction on Use

This report is intended solely for the information and use of the Board of Commissioners and management of the City of Oregon City and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

Aldrich CPAs + Advisors LLP

By:



Andrew Maffia, CPA, Partner
Lake Oswego, Oregon
December 3, 2024