



CITY OF TROUTDALE

"Gateway to the Columbia River Gorge"

AGENDA

CITY COUNCIL – REGULAR MEETING

Troutdale City Hall - Council Chambers
219 E. Historic Columbia River Hwy. (Lower Level, Rear Entrance)
Troutdale, OR 97060-2078

Tuesday, September 23, 2014 – 7:00PM

Mayor

Doug Daoust

City Council

Norm Thomas

Glenn White

David Ripma

Rich Allen

Eric Anderson

John L. Wilson

City Manager

Craig Ward

City Attorney

David J. Ross

1. **PLEDGE OF ALLEGIANCE, ROLL CALL, AGENDA UPDATE.**
2. **CONSENT AGENDA:**
 - 2.1 **ACCEPT MINUTES:** August 26, 2014 Regular Meeting.
 - 2.2 **RESOLUTION:** A resolution approving an Intergovernmental Agreement between Metro Regional Government and the City of Troutdale for funding of the Year Twenty-Five Annual Waste Reduction Program.
 - 2.3 **RESOLUTION:** A resolution approving improvements to the old police station site.
 - 2.4 **RESOLUTION:** A resolution providing advance authorization of economic development travel expenses of the Mayor.
3. **PUBLIC COMMENT:** Public comment is limited to comments on non-agenda items. *Remarks shall be limited to 5 minutes for each speaker unless a different time is allowed by the Mayor. The Mayor and Council should avoid immediate and protracted response to citizen comments.*
4. **PUBLIC HEARING / ORDINANCE (Introduced 9/9/2014):** An ordinance relating to the Troutdale Riverfront Renewal Plan and establishing a procedure for transfer of the former Sewer Treatment Plant property.
Erich Mueller, Finance Director
5. **PUBLIC HEARING / ORDINANCE (Introduction):** An ordinance adopting a new chapter of the Troutdale Municipal Code, Chapter 3.35, "Marijuana Tax".
Shelby Rihala, City Attorney
6. **STAFF COMMUNICATIONS**
7. **COUNCIL COMMUNICATIONS**

8. ADJOURNMENT



Doug Daoust, Mayor

Dated: 9/17/14

City Council Regular Meetings will be replayed on Comcast Cable Channel 30 and Frontier Communications Channel 38 on the weekend following the meeting - Saturday at 2:30pm and Sunday at 9:00pm.

Further information and copies of agenda packets are available at: Troutdale City Hall, 219 E. Historic Columbia River Hwy. Monday through Friday, 8:00 a.m. - 5:00 p.m.; On our Web Page www.troutdaleoregon.gov or call Debbie Stickney, City Recorder at 503-674-7237.

The meeting location is wheelchair accessible. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to: Debbie Stickney, City Recorder 503-674-7237.

DRAFT

Agenda Item #2.1

9/23/14 Council Meeting

MINUTES
Joint Meeting
Troutdale City Council – Regular Meeting
and
Urban Renewal Agency (URA) – Regular Meeting
Troutdale City Hall – Council Chambers
219 E. Historic Columbia River Hwy.
Troutdale, OR 97060-2078

Tuesday, August 26, 2014

1. ROLL CALL, AGENDA UPDATE

Mayor Daoust called the meeting to order at 7:00pm.

PRESENT: Mayor/Chair Daoust, Councilor/Director Ripma, Councilor/Director Anderson, Councilor/Director Thomas, Councilor/Director White, Councilor/Director Allen, and Councilor/Director Wilson.

ABSENT: None.

STAFF: Craig Ward, City Manager; Debbie Stickney, City Recorder; Ed Trompke, City Attorney; Erich Mueller, Finance Director; and John Morgan, Planning Director.

GUESTS: See Attached.

2. PRESENTATION: Certificate of Appreciation to Comcast and Reynolds JROTC Program for volunteer work at Columbia Park during Comcast Cares Day.

Mayor/Chair Daoust presented a Certificate of Appreciation to Randall Rene of Comcast and Colonel Brian James of Reynolds School District's JROTC Program. The Certificate read, "The City of Troutdale wishes to express its appreciation for your service during Comcast Cares Day at Columbia Park on April 26, 2014. Over 120 volunteers, both adults and kids, with Comcast Cares spent more than 450 hours helping to clean, restore and beautify the park grounds."

Randall Rene, Comcast, stated each year Comcast employees participate in providing one day of service back to a community that we provide service in. My nephew has been in the Colonel's program for three years now and we started talking about some of the projects that could be done in this community. Working with the Colonel we started talking with Mr. Shaffer at the City who had a long laundry list of projects. Colonel James, and Mr. Anderson's Leadership Program, had a lot of kids that were interested in helping out in the community. We had 84 kids from the school show up on a Saturday morning from 8am to 12pm. I was blown away by the big hearts the kids had and the amount of work that they did.

Colonel James stated it was a great joint effort. We are up to almost 300 Cadets in the program this year. It was a great service learning project along with Mr. Anderson's Leadership class. The Cadets really enjoyed getting out there and working hard and seeing the results.

Mayor/Chair Daoust stated some of the work they did included widening trails, removing saplings to open up sight lines, distributing three small mountains of bark chips on the paths throughout the park, and removing over 20 bags of trash from the wooded areas and park. The JROTC Program at Reynolds is one of the best programs I have seen. It is a worthy program for a lot of kids at Reynolds High School. I want to thank both of you.

3. PUBLIC COMMENT: Please restrict comments to non-agenda items at this time.

Brian McCann, Board Member for Zarephath Kitchen and Pantry, stated I was on the organizing committee of the Bite of East County. Mr. McCann read a portion of a press release (attached as Exhibit A). We came tonight to thank the City of Troutdale for all of the support you gave us in this our 2nd Annual Bite of East County.

Garth Everhart stated I joined ranks with Zarephath, Fairview Business Association and Troutdale Business Association to help put on this event. I want to thank Mayor Daoust for filling in as our Emcee. I also want the Council to know that Steve Gaschler, Public Works Director, did a great job helping us through this event. I also want to thank Duane Korst from your Parks Department. You all made this very easy for us.

Edward Smith, resident of Estacada, stated I am here to introduce myself. I work for Oxford Houses of Oregon. We opened a house about two months ago off of SW Hewitt. I spoke with the Mayor and City Manager about a month ago. I want to reassure you that the program is going well. This is a house where men who are recovering from drug and alcohol addiction are living. They all have jobs now and are all doing service work in the community.

Mayor/Chair Daoust thanked Mr. Everhart for coming forward. The Oxford House seems to be doing fairly well. I drive past it every day on my way to work and back.

4. RESOLUTIONS:

4.1 Urban Renewal Agency Resolution: A resolution approving the Valuation Formula and Deal Terms for the sale of the property formerly used for the City's Wastewater Treatment Site, and authorizing the City Manager to negotiate a definitive Purchase and Sale Agreement with Eastwinds Development LLC.

4.2 City Council Resolution: A resolution approving the Valuation Formula and Deal Terms for the sale of the property formerly used for the City's Wastewater Treatment Site, and authorizing the City Manager to negotiate a definitive Purchase and Sale Agreement with Eastwinds Development LLC.

Mayor/Chair Daoust stated before we start the discussion on the resolutions I would like the representatives from Eastwinds to talk about their development concept plan to give all of us a better framework of what we are talking about in the Urban Renewal (UR) Area.

Matt Wand, General Counsel for Eastwinds Development LLC, stated I am here with Ron Garzini who is our consultant and has been working on this project on behalf of Eastwinds for several years. Also here with me is Erika Yoshida Watson and her husband Sam who work in the business with me as well.

We don't need to spend a lot of time talking about how we got here, but I do think it is important. I remember distinctly the cover of the Gresham Outlook in 2006. There is a picture of Councilor Wilson celebrating the successful passage of the UR District. I know that he worked tirelessly with many of our very prominent members of the community to make sure this got passed. I think it is important to remember that the reason why this was created as an UR District in the first place is because of the unique challenges that this particular site has presented.

Matt Wand showed a PowerPoint Presentation (copy attached as Exhibit B). The site itself is bordered on the north by a freeway, on the south by the downtown and a very active railroad, on the east by the Sandy River with all the limitations that we have at the high water mark, environmentally and otherwise, and on the west we have a development approved by the City that almost completely land-locks the entire site – the Outlet Mall. At the time that the Outlet Mall was constructed in the early 90's we had a functioning sewer treatment plant behind it and the thought process, I presume, was why would you need a whole lot of access back there where the sewer treatment is. Well, the good voters of Troutdale decided that we would do the right thing and construct a waste water treatment facility and decommission the sewer treatment plant. This is where we get to the second problem, after access, that the voters of our city wanted us to resolve through the use of an urban renewal district, and that was the decommissioning of the sewer treatment plant. Unfortunately the new Waste Water Treatment Plant had substantial cost overruns and those cost overruns were so substantial that the funding that was intended to be used to fully decommission and demolish the old treatment plant simply weren't available any more. It was sometime around that timeframe, mid to late 90's, that Eastwinds Development purchased the old wool-pullery. It is important to call it what it is because it was never a cannery; it was a wool-pullery. This was a place that in the early 1920's converted from one of the only kosher facilities for butchering animals in Multnomah County. That moved into Portland. The site was empty and it was purchased by a company that turned it into a wool-pullery where among other people my grandfather worked for a year pulling wool from sheep carcasses. It was a salvage operation. They had sheep carcasses imported, they pulled the wool, and they disposed of the sheep in a pit approximately an acre in size on the same site.

The abandoned buildings that had been the wool-pullery, together with the water tower, were purchased by Eastwinds. The water tower is iconic and historic and is an important part of our cityscape. Mid to late 90's we have this site that is kind of lying fallow not paying any property taxes, not providing any jobs, and not providing proper access to the

river. The City passed the UR District and it wasn't long after that the whole world had collapsed. The initial strategy was that the UR District would take the ball and run with it. Eastwinds, at the time, was happy to go along for the ride. The property was marketed and there were opportunities for sale of the entire site. Early on both the City and Eastwinds agreed that this site had to be developed by one developer. It couldn't realistically be carved up into pieces with two different owners and expect to gain anything, certainly not what the citizens had hoped for when they passed the UR District. After the collapse and after the world changed everybody bailed and there was nobody interested in doing anything like what I am showing on the screen (page 3 of the PowerPoint, Exhibit B). While I was on the Council along with Mayor Daoust, who was Council President at the time, and others, we engaged with a consulting team to come in and tell us what was economically realistic for the site. That process took far longer than I dreamed it would take. After six or eight months we got some reports back and one of the things that they identified was a high-end destination hotel, spa and convention center. Not a huge convention center like we have in Portland on Grand Avenue, but something more modest but larger than what is otherwise available in East County. There is a real need for that type of development here and they identified that all the way back in 2009 when we paid for that effort for the UR District.

Shortly thereafter Ron Garzini moved on to greener pastures and made a phone call to Mr. Yoshida and got to talking and started working on what eventually became this site concept that is on the screen before you (page 3 of Exhibit B). I want to caution you – this was created in the 2012-13 timeframe and it was created by an architectural firm that was retained by Eastwinds and there are elements here that will not be part of the eventual development. This is the concept, an idea; it is what we would like. In particular I am looking at the pier because that did not get included with the Sandy River Access Plan and there are very good reasons for that. As you can see we have got an amphitheater area, a trail along the river, we have the access issue being solved with a Kibling Street overpass over the railroad tracks, a hotel, and then also some retail development. All elements that are well within what our citizens wanted when they voted for this, and it is economically viable as well. This is a slightly different view of the concept (page 4 of Exhibit B) that incorporates some of the other elements. The water tower is part of our idea and part of our plan. This is the overhead that shows the entire site (page 5 of Exhibit B).

With the help of the City we were able to secure funds from the Nature in Neighborhoods grant (see Exhibit C – Sandy River Access Plan PowerPoint). It was \$30,000 which I can tell you was a drop in the bucket compared to what the cost was. As I was looking at some of those expenses what I found is that the \$30,000 was barely enough to do the 3 charrettes that we did. A charrette is basically a glorified public meeting so we had to provide space, hire consultants, bring in interested parties, we engaged the public and we took notes; we did all of the things that you would expect that you would do when you are engaging the community and actively seeking, and honestly listening, to the input from your neighbors. Those charrettes were quite expensive. What we found out when we worked with the Nature in Neighborhoods grant, the City and the experts is that the concept of a pier was not a viable idea at least from their perspective. There are other

things that are very exciting about the site itself. This trail (page 5 of Exhibit C) will be part of the 40-Mile Loop that Metro is committed to creating. In fact, because of the location being on the Sandy River with beautiful viewing areas (we have three listed) and the overlook at the event plaza, we have the possibility and opportunity to be one of the main attractions from the 40-Mile Loop. This could be ground zero, a place where people start, where they stay overnight, where they have their celebrations and where they spend their money. It is truly a phenomenal opportunity. The idea is that the bicycle and pedestrian trail will be available for the public and for use in that manner.

If you have ever been down to the site you will notice that the area around the overlook is natural but it has an asterisks. The reason it has an asterisks is because it is not environmentally sound. It has invasive species that are non-native and that are not a part of Troutdale and really shouldn't be there, which include blackberries and the morning glory type of vines that choke trees and kill them. Remediating those is an ongoing effort that will take several years. The environmental scientists tell us it is possible but it will be a full-out effort. Part of our effort will be to reclaim the banks of the Sandy River for our children and their children and to make it the way that it was before we got here and spoiled it. One of the challenges that we looked at in the Sandy River Access Plan is how to deal with the railroad and the railroad underpass. Mr. Garzini and I had a quite productive meeting with the railroad that we will detail later on. There are some additional pictures (in Exhibit C) that show in particular the bank and where the trail is in relationship to the bank, providing more than ample space for a 100-year flood and also to allow for this area to look, feel and be natural. This is a side view of the Cantilevered Overlook (page 7 of Exhibit C) which is one of the amenities that will allow citizens and visitors to extend out over the river and over the vegetation and see the splendor of the Sandy River and Broughton Bluff on the east side. This is a big number (slide 10 of Exhibit C) and if you remember this is what the experts, the engineers, told us that the Sandy River Access Plan was likely to cost. This proposal and this presentation was viewed by all of you about 3 months ago and at the time we all discussed that this was a big number and that grants and partnerships and funding, all of the things that you would expect for something this spectacular, was going to have to be sought because the economics don't support that from private development. Nevertheless, this is the vision that we are committed to and that we want to see happen.

One other item to talk about is the water tower, which is a passion of mine because some of these historic buildings and cityscape features of our town have provided it with the character that many of us know and love. I have already reached out to the Troutdale Historical Society (THS) both through its President, Councilor Ripma and my Aunt Helen who is on the Board. My request has been simple – tell me what it is that the THS would want to see out of the water tower. That is not a blank check, but if I don't know what the goal is then I can't work towards achieving it. It starts with reaching out with a hand of friendship to people we already know and ask for the right information. I am absolutely confident that when they meet after their summer break that I will know exactly what it is we need to do. I already have the engineering studies and I know what the current condition of the water tower is. We will work together with the THS to make sure that the right things happen for our town. This is the vision that we have worked on.

We came before you about 2½ months ago, in May or June, with an Exclusive Negotiating Agreement (ENA). That ENA was passed by this Council and it directed your staff and Eastwinds to sit down at a table and negotiate and discuss the future development of the UR District site. It wasn't too long after that that I had a meeting with Craig Ward and Mr. MacCourt to discuss the framework for how we were going to accomplish the tasks that were set forth in the ENA. We had a good discussion and from there on we set about accomplishing what this Council asked us to accomplish, which was to negotiate in good faith, negotiate on an exclusive basis and negotiate providing all information to the Council and Mayor through the staff to accomplish the development that I have just described.

Ron Garzini, consultant for Yoshida, stated many of you have worked with me before. Since 1989 half of my career has been helping cities, counties and private firms do complex projects. This project is complex. I use to always tell elected officials that if you want to see economic development there is only two things that the government can affectively do; one is critical infrastructure (roads, bridges, water systems, etc.) and the second is to remove barriers. The reason this project has stalled for years is because there are barriers. What I am going to do is describe for you what I call barrier removal, or allowing us to move forward in an effective way.

The purchase agreement that is before you was quasi by design, and that is it is in the form of terms. This is not a document that actually transacts a purchase. If you buy a house you initiate the purchase of a house by detailing your proposed terms, and that is how we did this. We proposed some terms. We met with city staff, the Mayor and your attorney and worked to see if we could come up with a purchase agreement. The fact that we do not own or have legitimate right to claim the sewer plant property is a very large barrier as we go forward. We need the certainty that we can speak on behalf of the UR Area as we talk to hotel operators and Simon (Outlet Mall). If we begin to talk to private hotel operators, if the City is the co-owner of the ground we really ought to bring you in to convince them that you indeed are going to sell it. It is this contingency of uncertainty that is a concern. Approval of the purchase agreement would be followed by the traditional planning process.

One of the issues that was brought up at the very first meeting that we had was the river. All of the testimony was about the river. People really didn't seem to care about the UR Area except for the river. That is the reason why we initiated the Sandy River studies; that was in complete response to the public. We are, and continue to be, viewing the Sandy River as one of our major assets. The Sandy River and the water tower are the crown jewels. What we do along the river has to work in harmony with what we do inland. No matter what we do here we want to continue to be very much involved with the waterfront. The Sandy River, and the uses along the Sandy River have to be compatible with a hotel and conference center. I would encourage us not to commit too much in specific development along the river until we get a layout of the hotel, which will require us to get the hotel operator, which will require us to have certainty about the real estate issues.

I started with Eastwinds in January of 2012. I myself can tell you that we have spent around \$200,000 that I know of towards concept planning. We have had three years of City and DEQ related Brownfield planning. We have had river master plans, studies for the carcass removal and we have been doing hotel feasibility. We are planning on removing the carcasses this fall if we can. We are about ready to begin seeking our hotel partner. We remain committed to a hotel, spa, conference center and lifestyle retail. Nothing that we have seen from our studies has caused us to get off of that. The one challenge for us is that it looks like the large project has to be the project; it can't be some kind of an increment of a development. We need to actively partner with the City and Metro to promote trail development. The trail project at that price tag is going to have to be built in phases. There is no question that the underpass under the railroad and a trail along the river works for us, the question is the amenities on top of the trail and where they would be located. We could definitely design the first phase (of the trail) and do that at any time and we are supportive of that.

In our most recent meeting with the railroad we talked about a land swap and purchase arrangement with the railroad. One of the problems is the railroad maintenance yard which is inside the UR area. That causes two problems. We like the Kibling Street connection; that is still in our game plan. The problem is when you come down the hill if you have to clear the railroad maintenance facility it makes your reach and steepness a lot worse. The other issue is the train whistles. One of the reasons why the train whistle blows as much as it does is because of the railroad maintenance yard. We talked to the railroad and what we would like to do is to either purchase or swap land to remove the rail maintenance yard out of the UR area. That is a major financial obligation to us but it is one that we are very much interested in doing; we want the rail maintenance yard out of there. That would make Kibling more functional. You don't want a high-end hotel/conference center next to a rail maintenance yard. That doesn't work for us in our master plan.

Lastly, going back to the major barriers, if we go big we are going to have to deal with access. Kibling Street alone will not do the job. We are going to have to deal with Simon Properties for short term and long term access. Simon really needs to do two things. They need to work with us on access so that we can develop this 20 acres the way that it ought to be developed. Secondly, the east side of their mall is not very attractive and you wouldn't want to build a \$30+ million facility facing the smokers and the dumpsters from the Mall. As part of the access solution, we would like to do some form of partnering with them to do a remodel or something.

That is the big picture and what is before us. As you can see the certainty of the real estate issue is a major barrier and we need to fix it. The way we worked this was we made a proposal as you would if you were buying real estate (the Term Sheet), the City responded and countered, we met and went over it and reviewed their counters and essentially what we have come up with is a fair valuation program. I won't call it fair market value because trying to do fair market value for a brownfield site that needs major cleanup is very difficult. We assessed the market value as if it were ready for development and then subtracted the costs to get there. We tried to be very responsive to what we view as

your role as stewards of public trust. I promised Craig when we began this a year ago that I would not bring forward anything to you that I wouldn't recommend if I were in his shoes.

Matt Wand stated if you look at all of the conceptual design plans you will notice that we didn't carve up the site. The expense, the thought, the mentality, the commitment that we have is for all 20 acres and that was consistent with the philosophy of an UR District from day one, so that is why we did it that way and that is why we incurred that cost. There will be a time when we get to sit down and look at hard numbers on a hotel with a substantial amount of transient lodging tax that will be paid to the City to assist us with future economic development efforts both in terms of a visitor's center and general fund revenue. The commitment that we have in this project is very real. I just want to point out that I have only been with this company for 4 months and we have worked hard to get to this point in a short period of time. When I started the timeline for removing the sheep pit was maybe a year out. This domino that you are voting on tonight is the last domino to fall; I am ready to go. I got the email this morning for funding. We are waiting on the DEQ approval for the work plan and once that is approved, my number for my contractor is final, then we are ready to go as soon as the weather changes so that it is most palatable for our fellow citizens. This is not a maybe we will do this in October 2014 or October 2015, this domino falls and it happens because all of the contingencies that even a week ago I wasn't one-hundred percent sure about, they have all fallen in the proper direction and we are ready to go.

Ron Garzini stated in the same fashion we are ready to start talking to hotel owners and operators because very shortly we will be concluding all of our feasibility work. We are at the level of feasibility work to where we have financial forecasts so we are ready to retain a broker and move forward with that.

Mayor/Chair Daoust stated Agenda Item #6 will be when the Council will consider approving a resolution showing support for the Eastwinds Development Concept Plan that Matt and Ron just described for us. The reason we had them provide this information at the beginning of this agenda item is because I felt we needed an overview of what we are talking about before we start going through the Term Sheet. If we would have jumped right into the Term Sheet the public may have been wondering what we were talking about and what was going to be happening in the UR Area.

For Agenda Item #4 we have two resolutions – one is for the URA and the second one is identical only it is for the City Council. We will handle each resolution separately.

Craig Ward, City Manager, stated Mr. Wand expressed how critical the timing is on this. If they are going to remove the sheep pit, which is a significant investment of hundreds of thousands of dollars, then it needs to be done at a particular time of year and that is when the wind is blowing and before it starts to rain. That means it needs to occur in October of this year or we will have to wait a considerable period of time. That has been the driving force behind the negotiations, and why we needed to come to grips with this Term Sheet, which is not by itself the actual sale document, it simply commits us to the terms in which

we will subsequently develop a formal Purchase and Sale Agreement (PSA) which will be brought back to the City Council for approval. Doug MacCourt of Ater Wynne has been involved in the Brownfields and Superfund sites with Troutdale for many years. He is experienced in issues of urban renewal. We asked him to provide some support. He has been our primary point of contact in creating the Term Sheet. The Mayor, myself and our Finance Director participated in the negotiations with Eastwinds.

Doug MacCourt, Ater Wynne, stated our friends from Eastwinds did a great job of teeing this up to not only give you the context of why we are talking about this, but also to make a couple of really key points. What you have in front of you, which resulted from the May 2014 adoption by this body by unanimous vote of the ENA, are several key terms that will go from this document into the negotiations of a PSA. This is not a contract for the sale of land. If this is approved by the URA and the Council, both parties will continue their good faith negotiations to develop the PSA incorporating these key terms.

I want to get into more detail in terms of the context of this document. The context, in addition to what was previously said, is set out in the recitals. We added those because it is important to not only set the stage as to how we got here, but to also state what the expectations are of both the City of Troutdale and Eastwinds. The recitals document the many years of effort between the City and Eastwinds to investigate, cleanup and redevelop the site, and to put these two parcels together for a more economically feasible development. We acknowledge Eastwinds' significant participation. They are involved and signed up with the Oregon Department of Environmental Quality Voluntary Clean-up Program to investigate the Eastwinds property including, on a voluntary basis, undertaking the removal of the animal waste material. It is important to note that the material is not what we would consider to be contamination; it is not toxic. It is not something that the Oregon law requires to be removed. Essentially you don't want to build over giggly stuff that might not support a parking lot or a foundation, and it is the right thing to do to remove it because once it is gone it will make it a more feasible development and eliminate questions about it. So that is a voluntary effort. That effort has become a part of this Term Sheet even though it is on the Eastwinds parcel and doesn't have anything to do with the City's parcel that is the subject of the terms. It was a very important element that the City Council wanted to make sure we got confirmed. In addition, the recitals note that the City and Eastwinds are working together to identify public infrastructure to support this entire development including dealing with the Sandy River. Eastwinds has committed, and made it part of this document, to clarify the expectation of both the City and Eastwinds that that area of land along the Sandy River will remain open to the public, it will remain accessible to the public and it is both parties desire that eventually it be moved into public ownership if that is possible. It was important that we put that expectation in words for the context of what the City Council is being asked to approve.

There are three sections to the Term Sheet. Two of the sections are directly from the ENA that was adopted by this body by Resolution #2249 in May of this year. In the ENA Council directed both Eastwinds and City Staff to work together to come up with instructions for the appraisal and a process for the appraisal of that land. That is very important because

we need a fair and open appraisal process. That process is set forth in detail in the Term Sheet. Essentially it boils down to each party hiring an appraiser that has a certain minimum set of qualifications and standards, and the parties coming together within a certain timeframe to bring those appraisals together. If the values determined in each of those independent appraisals are within 10% of each other then they are averaged and we have an appraised value. If they are not within 10% of each other than a third independent appraiser is chosen, and there are conditions for that appraiser including that that appraiser cannot have worked for either the City or Eastwinds at any time in the past, or have represented either party. If we don't reach agreement by averaging the first two appraisals, or by putting the two appraisers together in the event we are over 10% and we can't get them to within 10%, that third appraisal can either be averaged, it can actually set the value, or if it is wild we can set it aside. We have built in the maximum amount of flexibility in how we actually proceed. This isn't going to simply be us agreeing to their appraiser or Eastwinds agreeing to our appraiser. It is a process of each party bringing two professionals together and combining that information.

The second area of the Term Sheet that was directly discussed in the ENA deals with the PSA negotiation. Basically the language in the ENA is such that city staff was charged with starting the discussion around some of the key terms that would ultimately lead to, if we reach consensus, the development of a PSA that will come back to this body after this resolution is approved, and then go through the normal ordinance process which includes two hearings with a full opportunity for the public to see this deal in the context of that agreement. Even if you were an expert in all of the information in this Term Sheet, you still wouldn't quite get it from reading the Term Sheet; you only really get it from reading the contract which will be negotiated once we have those appraised values. This is a very important step, but only a step toward that contract.

We did two other things in this document. This was originally proposed by Eastwinds as kind of a combined deduction from fair market value, and condition related to timing. In the negotiating we decided that it wasn't really acceptable to the City so we simplified the term relating to the requirement that a No Further Action (NFA) determination be obtained from the Oregon Department of Environmental Quality (DEQ) at or before closing. That is critical to give Eastwinds certainty that the environmental issues have been resolved. We have been working for several years with DEQ and they have given us a very favorable interpretation of the data that we have collected on the City's property. As it reads now in the Term Sheet both parties have agreed that the City will submit the application for the NFA determination, and the supporting information, no later than September of this year. DEQ has assured us that they can process that information and go through the normal back and forth and get to an NFA decision on or about November 1st, which was Eastwinds original proposed timeline. We are very comfortable that we will achieve that.

Lastly, we have included the animal waste removal as a term even though the animal waste is not on the City property, it is solely an issue for the Eastwinds property. We have clarified not only the expectation of how it will be removed, when it will be removed, but what exactly they will do in the process of removing that in terms of being responsible at

their expense for handling excavation, transportation, disposal, confirmation sampling and how the City and Eastwinds will work together on a public outreach plan.

That really walks through the expectations set forth in the recitals as well as the details in the Term Sheet. Tonight we have provided to you, for both the City and the URA resolutions, a revised Term Sheet with some redlined text showing some minor cleanup changes.

Starting back when we received your unanimous support and direction for the ENA back in May, we did receive a Term Sheet that looked a little different than this. There were more deductions proposed by Eastwinds from the fair reuse value which is a statute that applies to properties within urban renewal areas. It is very similar to, but a little more flexible than, fair market value and it allows the type of deduction that you see here. There were several more deductions that based upon our back and forth with Eastwinds and the direction you gave us we decided were not acceptable to the City Council and we felt we needed to draw the line and we drew the line and they accepted it. I wanted to reference that and also restate the fact that we went through at least three negotiation sessions and then on July 24th and August 12th came back to this body in separate sessions to report on the status of the negotiations and get further direction from you and respond to the counters to the original proposals. This has been a very open and fair negotiating process and one I think you can be proud of.

Mayor/Chair Daoust stated the documents that we are talking about approving tonight are the copies that were provided to us tonight that show the blue text on them. As part of the Negotiating Team, I can say that all parties agreed to this end result.

Councilor/Director Thomas stated I think what you put together is outstanding and it is very doable. The thing I like about it is that it is fairly simple and straight forward, and it is easy to understand. I wouldn't want to make any changes to it.

Councilor/Director Allen stated when we have been going through this journey, it has been a number of years starting with the creation of the UR, we have had a number of different proposals, or visions I should say, that include public access along the Sandy River. That is one of the more important things of interest to our people. What I want to know is, from a legal opinion, does this deal that we are doing here ensure that we are going to have public access from north to south along the shore so that we can complete the 40-Mile Loop?

Doug MacCourt replied I can tell you the answer is yes, but it is not just based upon the Term Sheet that you see in front of you. Oregon Law protects that strip of land partially because the bed and banks of the Sandy River are owned by the State of Oregon. Regarding the riparian area, the Oregon Department of Fish and Wildlife, the US Department of Fish and Wildlife and Oregon DEQ are going to be very strict in making sure that there is nothing that affects the future of that area, it only gets better and I think you heard some of those concepts tonight. I think that is a very important concept to keep in mind and to continue thinking about what happens to the Sandy River waterfront. You

are probably all aware that the Sandy River is home to listed threatened and endangered species under the Endangered Species Act, a federal law. That law protects not only the fish but also their habitat, their home. That body of water is already under a high level of protection from incursion. Now that doesn't necessarily mean somebody couldn't put up a fence on one end and a fence on the other end, but that is where the planning efforts that the City and Eastwinds have engaged in come into play, like the Sandy River Access Plan in particular, but also clarifying the expectations in this document right up front that it is Eastwinds and the City's intent as they go into negotiations for the PSA that that property remain open to the public, that the public has access to it and that if possible we find a public entity to ultimately own that with those concepts in tack. The way this will work in the negotiation of the PSA is that the public ownership concept may not come together prior to the time we are done negotiating the PSA, so we will ensure that this intent statement makes its way into terms that secure the concept of public access and open space for the public, and that also includes the trail. We will take both the concepts that the City has been engaging in the planning process, as well as the statement of intent here and those will become terms in the PSA. If the concept for public ownership gels between now and the time that we are putting the finishing touches on the PSA, we can certainly represent that in some fashion as well. Either way, whether the public ownership issue is nailed down or not, we will make sure that this intent makes its way into the PSA.

Councilor/Director Allen stated the way that it is stated is that Eastwinds intends for the property along the Sandy River to remain open and accessible by the public, and if possible placed in public ownership for future generations. My main goal here is that the public can freely use the trail, of whatever fashion, from north to south.

Doug MacCourt replied our understanding has never been anything different.

Craig Ward stated the adopted UR Plan provides two clear policy statements regarding what is called the Sandy Riverfront Park and the Public Plaza and public spaces. A development, in order to qualify for the tax increment financial benefit of the UR Area must conform to the UR Plan. These policies statements are requirements for that financing to be made available to the development. That includes the Sandy Riverfront Park project, which is described as follows, "This project consists of a Sandy Riverfront pathway and related improvements to increase public enjoyment of its scenic resources and provide an amenity for adjacent development." The Public Plaza and Public Spaces project is described as, "This project consists of a public plaza, town square or other similar public spaces to enhance public use of the Area and provide an amenity for adjacent development." The implementation of both of these goals was central to the project that we did with the Metro funding that was discussed earlier, and I think expanded upon and enhanced considerably the relatively narrow description of the graphic depictions in the UR Plan. Clearly those are assumed requirements of the UR Area and don't really need to be expanded upon in this document to give us additional assurances. We did have an earlier conversation about actually separating the property of the shoreline plan on both our property and their property and deeding that to the public as part of this overall agreement. The difficulty with that is that the timeline here requires the actions to be taken within the scope of this agreement. Those requirements to subdivide

the property would fall outside of that timeline so we didn't want to hold the PSA hostage to the subdivision process, which is a legislative process that requires public hearings. We have collectively agreed to extract that requirement from the terms in order to allow the timeline to be reasonable for this project to proceed.

Councilor/Director Allen asked what kind of time are we looking at for getting the trail put in? 10 years, 20 years, is there some limit?

Craig Ward replied we have spent a lot of time, money and effort to make that happen. I think the comments made earlier regarding phasing it are very important. We had proposed to Eastwinds that rather than go through the fairly long and convoluted subdivision process, that instead we have an easement; an easement does not require a subdivision of the property. It would need to be surveyed and then you would have an easement agreement. I think we could do that pretty promptly; we could probably do it this year if it were simply an easement. We chose to focus on what we could do in this agreement and leave those subsequent development expectations to subsequent agreements, so we pulled that out in order to simplify this action before you tonight and the PSA. We've had every indication, as long as Ron and I have been working on this, of Eastwinds' sincere desire to make that path part of this project and to make it a public amenity.

Councilor/Director Allen stated I have actually heard all of this before, I just wanted it to be repeated in a public meeting for the benefit of the people watching and in the audience. I am looking forward to this property being developed.

Councilor/Director Ripma stated at first I also was worried that this didn't spell out enough about the public path which is a big deal. I am satisfied with what you have just explained that all parties want to see it at least generally along the path that was shown on the screen tonight. One thing that I am not crystal clear on, and I want clarification on, is we are selling something here tonight. If we adopt this it looks quite binding. I want the attorneys to confirm that or not. If the two appraisals come in within 10% we have established a price. We have already agreed to an exclusive negotiation and the rest of it is paperwork, at least that is what it looks like to me. So we are selling something. Is that right? That is what Eastwinds wants it to be and that is the way I read it.

Doug MacCourt replied in all due respect I would not characterize it that way. In the staff report on the top of page 2 you will see a statement which I have discussed several times with the City Attorney and Craig, which I think very accurately states what is binding about this. I could read that statement, but let me make it even simpler. Going forward from today, if the Council and the Agency approve this document, the City negotiates a PSA with Eastwinds and that PSA must include terms consistent with this document. There are a hundred other ways in which negotiations can either succeed or fail when you are talking about all of the other things that go into a PSA. There is no obligation on the City to sell the property by virtue of adopting this Term Sheet. There is an obligation of good faith, and that is an enforceable obligation under Oregon Law, to move forward in the PSA negotiations and include these terms. So an example would be if we get to the Term

Sheet stage and we have 100% agreement on every point except we decide to not include the deduction for the small percentage of planning expense and professional fees that Eastwinds has incurred that is set forth in 1c, or we agree not to deduct the cost of demolition from the appraised value, that would be, in my view, not complying with the City's obligation of good faith. That can create a legal problem for the City. That is the extent of it. If the City, in the PSA negotiations, finds that there are serious problems that affect its ability to consummate the deal that had nothing to do with these terms, you don't have a deal and no action that you are taking tonight is forcing the City to sell the property. I hope I am crystal clear on that.

Councilor/Director Ripma stated you mean when the time comes for us to adopt whatever ordinance we need to adopt to sell the property, that is when we sell the property.

Doug MacCourt replied right. Said another way, you are agreeing to certain key terms. Value is so important at this stage in the game for Eastwinds because they need to go out and do the things that they described including talking to some investors, hotel developers and start talking real serious money. They have to know what the deal is here so those terms will show up in the PSA. But these are only a handful of many other terms that the PSA will include.

Councilor/Director Ripma stated there is also the potential that we may not agree on a price in the end. If they aren't close enough to meet that trigger where we average and there is a third appraisal and we can't seem to work through that.

Doug MacCourt replied I am glad you brought that up. I think that will be extremely unlikely because we are hiring the best appraisers we can hire. But in the event that those first two appraisers appraisals are more than 10% apart and the third appraisal, if we get to that point, cannot be used, the parties have a number of options in front of them including terminating the deal, continuing and hiring a fourth appraiser, including getting additional information. I think it will be extremely unlikely. I have to credit Matt Wand for making the suggestion that instead of jumping right to the third appraisal, that we pull the two individual appraisers together and make sure that they are using the same assumptions, that they are seeing the data the same way and that they are not just talking past each other and missing something important that the other one has analyzed, and see if we can fix that and get ourselves within that 10%. I am fairly confident that is probably as far as it is going to go.

Mayor/Chair Daoust stated we talked about that a lot.

Councilor/Director Ripma stated that is a big important step. I am reassured, thank you.

Councilor/Director White stated I was part of the team that was assigned the task of completing Title 13 and we were able to create a special district for this land. I am not expecting Eastwinds to fund the pier, but if we were able to get some of the funding to do it; I hate to see the pier go away. Matt said there was good reasons for that. I am hoping it wasn't because an agency blocked it somehow. I guess what I am trying to get at is if

we could secure funding would Eastwinds object to something like a pier if we were able to pull it off, or possibly a boat dock so people could get to the property via boat and come up and use the facilities.

Doug MacCourt replied I can't speak for Eastwinds but I know that property falls under the category that Ron described as removing barriers. The agencies will throw barriers in your path on that one.

Matt Wand stated we would love to have a pier. It is very unlikely that a pier is within the realm of what is feasible for private industry based upon the limited economic impact that you would have balanced against the very high government barriers that you would have. But if there is a path to get there that is feasible I would love to have it.

Craig Ward stated the guidance that we received from meeting with public agencies regarding a pier or a dock had nothing to do with Title 13, it had everything to do with the fact that the low high water mark is the Department of State Lands land so we would need their permission. It is a navigable stream regardless of your personal feelings about that. The advice that we got was that was going to be quite a hurdle. It isn't that we have given up on it, but if we are looking for a predictable development timeline the fewer of those hurdles we place in front of ourselves the more predictable the timeline becomes. That is the main reason that we decided that it was just not an immediate target. You also raised the issue of the special district. I distinctly recall the conversation in Title 13 about preserving that ability. If the shoreline development occurs as we have discussed in our meetings on the Sandy River Access Plan, it does not appear that a special district plan is necessary because essentially we would already be complying with Title 13 requirements. Why go through that hurdle if we in fact don't need to. We haven't ruled it out. It may come down to the actual design of the shoreline improvements, and potentially Eastwinds project, and whether or not special consideration for those Title 13 standards are necessary and the district plan becomes the best way to try and accomplish that, but at this time it doesn't appear to be necessary.

Doug MacCourt stated we have created some strong allies in the State through the Regional Solutions Team on this project, as well as the Federal Government through support from EPA and their partnership. I like the way Mr. Wand put it; we can explore what is feasible.

Councilor/Director White stated there is a lot of interest on this piece. I think it would be a great opportunity for the City of Troutdale to showcase the Sandy River. That was my reason for bringing it up.

Item #4.1 - Urban Renewal Agency Resolution:

MOTION: Director Thomas moved to adopt a resolution approving the Valuation Formula and Deal Terms for the sale of property formerly used for the City's Wastewater Treatment Site, and authorizing the City Manager to negotiate a definitive Purchase and Sale Agreement with Eastwinds Development LLC. Seconded by Director Anderson.

Director Ripma stated this is a very momentous thing we are doing and it might be prudent to invite the public to comment. It is not required on this resolution.

Director Allen stated I would feel better if they had the chance to speak.

Chair Daoust stated we don't have to; it is my call. I have spent all evening reading the audience, which is why I didn't call for public comment. We can do it when we get to the City Council resolution.

Director Ripma stated these resolutions are the ones that are selling the property, in my opinion, despite the fact that there are some loopholes that may get us out of it.

Chair Daoust stated lets move forward with Item #4.1

Director White asked are you sure about that?

Chair Daoust replied yes.

VOTE: Chair Daoust – Yes; Director White – Yes; Director Allen – No; Director Wilson - Yes; Director Ripma - Yes; Director Anderson - Yes; Director Thomas – Yes.

Motion Passed 6-1.

NOTE: *At the conclusion of Item #4, but before the adjournment of the UR Agency meeting (see page 18 of these minutes), Director Allen changed his vote on this resolution from "No" to "Yes", therefore this resolution passed by a vote of 7-0.*

AMENDED VOTE – Motion Passed 7-0

Item #4.2 – City Council Resolution:

Mayor Daoust asked is there anyone in the audience that would like to address the City Council before we vote on the City Council resolution?

Claude Cruz, resident of Troutdale, stated I am a big booster of this project. I have had discussions with many people about it. I think it will be a great thing for our community. I think that there is a wild card that I would like to understand as a merchant who has a shop downtown. The peaceful and mutually supportive coexistence of a big project down below our main street with the downtown area is essential to the well-being of a great many merchants. What I don't see addressed, at least in my quick reading of the Term Sheet, is how the access problem is going to be solved. I noted in the conceptual sketch the acknowledgement of the importance of the Kibling overpass. We all know that will probably be prohibitively expensive so I have to discount that. I also noted the need to

maybe do some negotiating between Eastwinds and the Outlet Mall, which to me says that perhaps the preferred new long-term is going to be either punching through the Mall or circumventing it or something like that which again is going to direct traffic away from downtown. I just wanted to put it on the table that somehow we have to have a way to address how to feed traffic back and forth between those areas, both of which I think the town needs. Other than that I think it is a wonderful project.

Matt Wand stated the simple fact is that the access must be resolved and nothing that we have any intention of doing can be successful without the access issue being resolved. However, what that means is that we are prepared to move forward in good faith and write a very large check to the City and take the risk that you will be good partners with us and that together we can solve the access issue problem. At the end of the day we are the ones taking the risk. We wouldn't be doing that if we felt like there was an insurmountable barrier. As I have said to your City Manager and your various attorneys, trust is built with baby steps. We are taking this risk. We are asking you to move forward with this Term Sheet. Together we have a couple of issues to solve, access being one of them.

Councilor Allen stated I just wanted to point out that a well done development is going to attract people especially through the bike trail and that bike trail will come to the downtown area as well. I think overall it would be a boost to the area.

Craig Ward stated I mentioned earlier the conditions of the UR Plan, one of which is item F – Pedestrian Crossing over UP Railroad Tracks, which reads, "This project consists of a pedestrian overcrossing over the UP Railroad tracks providing an additional pedestrian connection between the Historic Columbia River Hwy. and the Area." That is only a pedestrian crossing; it does not assume the Kibling Street Bridge, nor does it speak to the undercrossing under the UP Railroad that Councilor Allen just mentioned. There are at least three potential crossings. That all has to be worked out; it all has to be fundable and conform to Eastwinds development plans and the UR Plan. Certainly connection to our downtown has been anticipated and is actually a requirement of the UR Plan.

Mayor Daoust stated it is very important. We don't want anything detrimental to happen to our downtown area. That is very important to all of us.

Councilor Thomas stated I think the other key is that the downtown merchants were very instrumental in developing the UR Plan in the first place and most all of them supported it at the time. One of the key issue was the access between downtown and not creating two separate downtowns essentially. There was a lot of thought and effort put into that from the beginning.

Councilor Allen stated I want to point out that I voted no earlier due to the lack of public comment being allowed. I would actually like to see this be successful.

MOTION: Councilor Wilson moved to adopt a resolution approving the Valuation Formula and Deal Terms for the sale of property formerly used for the

City's Wastewater Treatment Site, and authorizing the City Manager to negotiate a definitive Purchase and Sale Agreement with Eastwinds Development LLC. Seconded by Councilor Anderson.

VOTE: Mayor Daoust – Yes; Councilor White – Yes; Councilor Allen – Yes; Councilor Wilson - Yes; Councilor Ripma - Yes; Councilor Anderson - Yes; Councilor Thomas – Yes.

Motion Passed 7 - 0.

Mayor/Chair Daoust called for a break at 8:40pm, and reconvened at 8:55pm.

Mayor/Chair Daoust stated before we go any farther we are still under Agenda Item #4, and because we have not adjourned the URA meeting yet, and we have not moved on to another agenda item, I would like to extend the ability to Director Allen to change his vote on Resolution #4.1 (URA Resolution) from a no vote to a yes vote, if he so chooses to do so.

Director Allen stated after hearing from the public, I would be glad to.

Debbie Stickney, City Recorder, stated the change of Director Allen's vote from "No" to "Yes" on Item #4.1 makes that a unanimous vote for both resolutions under Agenda Item #4.

MOTION: Director Anderson moved to adjourn the URA Meeting. Seconded by Director Wilson. Motion Passed Unanimously.

The URA meeting was adjourned at 8:58pm.

The City Council Regular meeting reconvened at 8:58pm.

5. CONSENT AGENDA:

5.1 ACCEPT MINUTES: July 8, 2014 Regular Meeting and July 8, 2014 Work Session.

5.2 RESOLUTION: A resolution authorizing an Intergovernmental Agreement with Multnomah County for the Multnomah County Justice Reinvestment Program Funds.

Councilor Thomas read the Consent Agenda.

MOTION: Councilor Thomas moved to adopt the Consent Agenda. Seconded by Councilor Wilson. Motion Passed Unanimously.

6. RESOLUTION: A resolution supporting the Eastwinds Development Concept Plan and recommending continued support of the project by the Governor's Portland Metro Regional Solutions Center.

Craig Ward, City Manager, stated given the actions you have taken this evening, this item is self-explanatory except to note that it was made very clear to us by Bobby Lee who is the head of the Portland Metro Regional Solutions Center, that they feel it is important that the Governor's Team be behind projects that are widely supported. They see this form of a resolution, or action, to be indicative of that kind of wide spread community support. This document is being brought before you at their recommendation. I think that it may be vitally important for us down the road as we seek state grants and funding for improvements necessary to actuate the Urban Renewal Plan.

Mayor Daoust stated the Regional Solutions Team has spent a lot of time on this Troutdale project. The Regional Solutions Team is comprised of all of the state agencies in Oregon that assist cities with unique projects like this; they want to make sure it happens, and that it happens as efficiently as possible. Bobby Lee is really invested in this Urban Renewal Area project, as is the Governor of Oregon. Bobby has requested that we adopt a resolution like the one we are considering tonight in order for them to feel comfortable with their continued support. If they feel uncomfortable their support will go away and we do not want that.

Councilor Allen stated this development is a destination. It is not only important to Troutdale, it is important to the region. I appreciate that they realize that and I would be glad to support this.

Matt Wand stated the work of the Regional Solutions Team on this project since I became involved has been nothing short of groundbreaking from my perspective. The stories I have heard, as a Representative, a City Councilor and as an owner of a business, about how government agencies can slow you down and grind you to a halt and really take the life out of every great idea you have, those haven't happened and the reason is the Regional Solutions Team. They are doing a spectacular job of bridging the gap between what I call the bureaucratic speak and the English language. Bobby Less is bringing forward real answers when we need them. An example is that he is getting a timeline from DEQ. In the business world a timeline for when something is going to be happening is a normal thing. DEQ doesn't work that way, but we have one from them and if we meet certain milestones in what we are doing they will meet certain timelines that they have agreed to. We don't have any of that without the Regional Solutions Team. It is a tremendous resource for us. Mayor Daoust, Craig Ward, the consultants and I have all been at meetings; it really has been a great process. This development in the UR Area, and the Regional Solutions Team also includes the Troutdale Reynolds Industrial Park (TRIP) in this area, they consider it to be one of the top three development projects in the entire state. More fundamentally, it is an acid test for our experiment in land use because if we can't get good jobs and development done at the TRIP property and the UR District before the west side pushes for another 50,000 acres or 10,000 acres or however many more acres they want to have to make their side wealthier again, if we can't get this done then I would submit that that is all of the evidence we would ever need that the land use system is a failure. But it isn't yet because we are making good progress. I think that the Governor and the Executive Branch of our State Government recognizes the importance

symbolically of our development at the TRIP property and the UR District. If they ask us for this resolution as a show of good faith from the government, please pass it.

Mayor Daoust read a letter of support from the Port of Portland (attached as Exhibit D).

MOTION: Councilor Wilson moved to adopt a resolution supporting the Eastwinds Development Concept Plan and recommending continued support of the project by the Governor's Portland Metro Regional Solutions Center. Seconded by Councilor Thomas.

VOTE: Mayor Daoust – Yes; Councilor White – Yes; Councilor Allen – Yes; Councilor Wilson - Yes; Councilor Ripma - Yes; Councilor Anderson - Yes; Councilor Thomas – Yes.

Motion Passed 7 - 0.

7. PUBLIC HEARING / ORDINANCE (Introduced 6/24/2014): An ordinance adopting updated and revised Metro Urbanization Policies along with updated Metro population and employment projections into Troutdale Comprehensive Land Use Plan Goal 14 Urbanization, specific to Statewide Land Use Goal 14 Urbanization, in fulfillment of Task 6 of the City's Periodic Review Work Program.

Mayor Daoust read the ordinance title.

John Morgan, Planning Director, stated you took a momentous action earlier this evening, and I want to remind you that closing out the Periodic Review process, which started in 2008, is momentous in its own right. In June you held the first hearing on this ordinance. This is one of those things where the State statutes requires Metro to prepare coordinated population and employment projections for the region, and for cities to adopt them. So you don't have much choice if you are going to comply with state law. The ordinance before you adopts amendments to the language in the urbanization section. The key phrase of the new policy says, "For planning purposes, the City shall use Metro's forecasted population and employment numbers." It is quite straight forward and frankly fairly benign in terms of any impact. We would recommend adoption of the ordinance. I want to point out that there are two minor corrections to the ordinance that Debbie will be making before the Mayor signs it. Finding #4 on page 1 of the ordinance, I want to delete the parenthetical text that reads, "(see Attachment B of the staff report, p.2)". That just becomes confusing and is unnecessary. The second correction is in Finding #5 on page 1. I am proposing to replace the parenthetical statement that currently reads, "(see Attachment B)" to read, "(see Planning Commission Findings of Fact and Recommendation incorporated herein by reference)".

Councilor Anderson stated you got me excited when you said we are coming to the end, it's a momentous occasion. How close are we?

John Morgan replied this is the last item.

Mayor Daoust stated there is a date discrepancy between the staff report and the ordinance. On page 2 of the staff report under the Background section, it states at a June 10, 2014 regular meeting, but the ordinance itself says it was introduced on June 24th. I don't remember which date was correct.

Debbie Stickney stated I believe it was introduced at the June 24th meeting.

John Morgan stated we will verify that before we finalize the ordinance.

Councilor Ripma stated at the bottom of page 3 of the staff report there are a couple of references to the Citizen Involvement Committee, that should be corrected to read Citizen Advisory Committee.

Mayor Daoust opened the Public Hearing at 9:13pm and asked, is there anyone who would like to speak to us on this ordinance?

Taney Staffenson, Chair of the Troutdale Planning Commission, stated I've spent a lot of time working on this. You will notice that there is quite a bit of job growth which is exciting. Population growth is projected at 1,076; we will have a little work to do there. The last three years we have done three houses per year. One thing that we did include for projection purposes is that we would use Metro's numbers. You may want to consider looking at the Urban Growth Boundary (UGB) reserves for the possibility of future development.

Councilor White stated I thought we missed the window on that.

Councilor Anderson stated I don't think we did. I am getting conflicting reports from Metro, that it's in the Urban Reserves so we can't touch it, or it's not going to happen in this UGB cycle because the west side is ready to go. I am not getting the information that I need, whether we can even do it or not.

Taney Staffenson stated my understanding was that most of the expansion went to the west side.

Mayor Daoust stated those are the only current proposals that are being considered in this cycle that Metro has opened up.

Ed Trompke, City Attorney, stated Metro was not given the opportunity to act earlier this year when the legislature drew some boundaries, they did what they call the grand bargain on the west side, changed the urban reserve, rural reserves and the UGB. Since then, about three weeks ago, Metro came out with its Urban Growth Report which is its ordinary cyclical document preparatory to roughly a year from now moving the UGB again if necessary. The current Urban Growth Report, as the last one did, uses a range of need and a range for both residential and jobs lands. Under the low and medium growth there

is no need for any new land in the UGB a year from now. Under the high growth there is a small amount of need if I remember right, and I don't remember if it is for both, or just for residential or employment. Many people are challenging the assumptions and calculations in it because Metro kind of uses what their economist calls a black box to do all of their final calculations for the need. One of the things that I have heard batted around to challenge it is the home builders are concerned that it requires 7,500 new apartments to be built on the east side of Portland every year for the next 20 years when they have never had more than 3,500 in a year. There are some reaches if they are going to achieve what they say can be achieved under their current Urban Growth Report. Yes, there are opportunities during the next year as this Urban Growth Report gets finalized, but what those are is all a matter of getting in and talking to the folks at Metro about those numbers.

Craig Ward stated this is a 20 year plan. I am confident that somewhere in the next 20 years we will be able to make a case, or at least prepare a case, for expansion of the Urban Reserves. Whether or not we have the opportunity in the next year or two may be another story altogether. We do have to make a justification that our UGB is insufficient to accommodate the required employment and population projections that we have to accommodate. I don't think there is any reason to give up on it, but I would caution patience.

Mayor Daoust stated I would to. I talked to Metro about this because I was going to ask if we could interject an additional UGB adjustment in Troutdale. Basically the word I got was well you are not at the point where you are prepared enough to interject yourself into the Urban Renewal Report, which is out already. We would have to make a plan for what we plan on developing on that acreage. You just can't raise your hands and say throw in 800 acres in Troutdale and see what happens. It has to go through numerous committees that approve it. It is not just up to us. We have to have a written plan on what we are going to do with that land. The timeline just didn't match with getting involved with this cycle right now, from what I heard. If the door is still open we are going to have to hear that from Metro.

Councilor Anderson stated we are checking things off of the list. This is a huge meeting, and this item is huge. We are going to have some time now to be able to focus on some different things. Councilor White has brought this up a number of times. I think there is some work to be done. I think we should start preparing the case by discussing the case. I think we need to articulate our needs, either at a work session or at the Planning Commission, and start putting that case together as to why we need it. When the west side goes they are in lockstep – they have it planned and they are ready to go. I think we can start formulating our plan and get to the front of the queue with the expectation that it might happen maybe in two to five years. I am all for delving into this deeper.

Tanney Staffenson stated I didn't mean to indicate at all that this was something that should be done this year or next year. What we are looking at is a plan going to 2035 and my only thought was that if you are increasing your homes by 845 during that time where would that happen at? If you are increasing your employment by the thousands that you are, wouldn't a lot of those people want to live relatively close to where they work?

Councilor Anderson stated great question, I asked the same question to Metro. Their black box apparently says that they are going to work in Troutdale and live in Gresham. That is why Gresham is exploding with multi-family by comparison to us. Gresham's multi-family expansion is over 20% under this plan. That is the theory that they are operating under.

Tanney Staffenson stated I just think it would be a good conversation to have down the road.

Mayor Daoust closed the Public Hearing at 9:23pm.

Councilor Allen stated I agree with Councilor Anderson, we need to start on this because I think there have been a number of times we have tried and missed because the date creeps up on us and we are not prepared.

Councilor Thomas stated I completely agree. We have talked about the acreage from Division north (south of Strebin Road) being incorporated into Troutdale at some point. I would like to see us do that as soon as we can. However, based on the priorities that we have given to staff their number one priority is getting urban renewal done and getting the TRIP property developed. Sometime in the very near future we need to move forward and see what we need to do to bring that property in. It is not a simple task to do and you need a very well prepared case. It is something that you will want to take a couple of years to develop.

Councilor Allen stated well couldn't we get it in the queue and give it a priority order.

Mayor Daoust stated as far as when to have a work session on it we will have to develop the queue that it gets put in. Right now it is not an immediate thing; it is something we have time to work on.

Councilor White stated I think it is important that we get this done because it is a hardship for the people who own that land. They are sitting on acreage that they can't do anything with. Secondly, it completes Troutdale. We are never going to ask for any more after that; there isn't any place for us to go other than that. It would be nice to complete Troutdale once and for all.

Councilor Allen stated it would be nice to have some people to support the businesses.

Councilor White stated I want those people living in Troutdale if they are working in Troutdale. I think they are going to want to live in Troutdale.

MOTION: Councilor Anderson moved to adopt an ordinance adopting updated and revised Metro Urbanization Policies along with updated Metro population and employment projections into Troutdale Comprehensive Land Use Plan Goal 14 Urbanization, specific to

Statewide Land Use Goal 14 Urbanization, in fulfillment of Task 6 of the City's Periodic Review Work Program, with the amendments discussed tonight. Seconded by Councilor Wilson.

VOTE: Mayor Daoust – Yes; Councilor White – Yes; Councilor Allen – Yes; Councilor Wilson - Yes; Councilor Ripma - Yes; Councilor Anderson - Yes; Councilor Thomas – Yes.

Motion Passed 7 - 0.

Councilor White stated when the state started this whole process they indicated that we wouldn't have to do periodic review again because of our limited inventory. Is there anything that we need to do to ensure that we put a lid on this one so that we can get our staff back on projects that we need them working on?

John Morgan replied I am meeting with our regional representative from the LCDC, Jennifer Donnelly, on Tuesday and I will express that very sentiment to her.

8. STAFF COMMUNICATIONS

Craig Ward stated I think I mentioned a month or two ago that the Environmental Health Program at the County Health Department asked if we would be willing to partner with other Multnomah County cities to ban smoking in parks. Nothing in our code prohibits smoking in our parks. To me this is a policy matter for the Council. If you are inclined to go down this path I can inform them and see what the next steps are.

Council did not express any interest in pursuing this.

Craig Ward stated Monday, September 1, 2014 is Labor Day and all non-emergency city facilities will be closed. We are now the official Trade Mark owner of the term "Gateway to the Gorge".

9. COUNCIL COMMUNICATIONS

Councilor White stated I saw Craig's update on the bike rack, the cycle hub and I read that they were talking about curb extensions on the Marino Block. I think that is something that we should have a work session on before they actually get installed. I know there are varying opinions throughout the town. I think we can do a better job than just having the standard bicycle rack given who we are here in Troutdale. I think there are some options that should be explored.

Councilor Allen stated I would like to update our weapons ordinance, which is Chapter 9.48. There is a reference to a state statute of 166.290 which no longer exists so that needs to be updated. Is there support for a work session?

Councilor Anderson stated if we are citing state statutes that no longer exists that is reason to dig into it.

Councilor Thomas stated I think that is a staff assignment; I don't think we need a work session on that unless you have another reason.

Councilor Allen stated my primary concern, which I will need to get feedback from the public on, is for securing weapons which would be an added section: A - Firearms capable of causing death or serious physical injury must be secured if they are not under the control of supervision of the person or a designated person legally allowed to possess a firearm. B – The provisions of this section shall not be construed as a reason for entering a person's home. This is not a legal statement and is not as refined as what I have on my laptop, these are just my notes that I brought with me. I think it is worth talking about.

Councilor White stated that is something that has been on my "to-do" list for some time for different reasons than Councilor Allen mentioned. My reasons are that our ordinance considers BB guns the same as a fire arm. I believe that needs to be looked at and possibly corrected.

Councilor Allen stated a BB gun is a Class A misdemeanor. You may want to consider how hard you come down on the 8 year olds.

Councilor Anderson asked when is the last time this was reviewed?

Councilor Allen replied that one reference was repealed in 1989.

Councilor Thomas stated it sounds like something that staff needs to take a look at.

Councilor Anderson asked is the language you are proposing Councilor Allen from the County ordinance, or is that your own writing?

Councilor Allen replied it is not a copy of the Multnomah County ordinance, it is more geared towards Troutdale.

Councilor Thomas stated I don't mind having a work session on it but I would be more comfortable if you worked through our City Attorney to put that together first. I think this should be generated by staff rather than the Council generating it.

Councilor Anderson stated I don't have a problem with looking at it.

Mayor Daoust stated I need to get a consensus from that Council that you want to have a work session on the topic of reviewing the City's gun ordinance.

Councilor Wilson asked couldn't the Public Safety Advisory Committee (PSAC) work on this?

Mayor Daoust replied it is not a bad idea to let PSAC work on this. Are you okay with that Councilor Allen?

Councilor Allen asked can I work with staff, run it through PSAC, and then...

Councilor Thomas interrupted and stated when it goes to PSAC you can't say anything, you can only be there as an observer.

Councilor Wilson stated I would let them take the ball and run with it and come back with their recommendation.

Mayor Daoust stated we can frame what it is that we would like them to talk about.

Ed Trompke stated I think it would make sense to put together a short memo on this issue because the gun ordinances and the gun laws in Oregon are specific. The State has preempted local regulation in certain aspects and delegated or left other aspects to the cities and counties. It can be convoluted, but it can be written up and explained in a fairly simple way. You have to read the statutes to really understand all of the details. A general explanation would probably be very helpful for both the PSAC and the Council just to put it all in context.

Councilor Allen stated I see where the State has an ORS that limits what a county can do.

Ed Trompke replied and there is an almost identical one that limits cities. I would be happy to put something together with Craig and Councilor Allen and the Chief.

Mayor Daoust stated I think that is a good idea. Councilor Allen, you can work with the City Attorney and give him your thoughts. Ed Trompke will put it in context with state laws and then we are going to turn it over to PSAC.

Councilor Wilson stated at the beginning of August the Kiwanis held their Annual Cruise-In. They had 60 more cars than the year before. All of the retail businesses downtown were very supportive. The antique stores did very well. Troutini, who had not been open on Sundays in the past did open on that Sunday and had one of their best days since they have been open. We are looking at having more cars next year and even more fun.

Councilor Anderson stated I want to reiterate to Craig and to John how refreshing it is having you do these presentations in regards to community development. Hearing it in English is nice. It doesn't make me want to go through periodic review all over again, but it is really refreshing.

Tomorrow at 5pm at Reynolds High School they will be have a grand opening for the remodeled, rebuilt gymnasium. The public is invited. This was all done with public/private partnership; no tax dollars.

Mayor Daoust stated we have one member on the Portland Airport Citizen Noise Advisory Committee that represents Troutdale, Wood Village and Fairview. Currently Wood Village Councilor Mark Clark is our representative. He has recently been appointed the Chair of that committee. His term expires in November and he has asked to be re-appointed to another 3-year term. We can submit another name or we can agree to re-appoint Mark Clark to the committee.

Council was in agreement to add the re-appoint of Mark Clark to the Portland Airport Citizen Noise Advisory Committee to the September 9, 2014 Consent Agenda.

Mayor Daoust stated the Citizen Advisory Committee (CAC) would like some work. They have a meeting scheduled in two weeks, but their last meeting was in April. The UGB expansion is a complex issue, but I am wondering if that would be a topic that the CAC could look into.

Councilor White stated I saw that email and I appreciate Craig's response to it. The CAC doesn't need our permission to meet. They did the Community Garden on their own. I thought that was great work on their part. I would like to see more ideas like that coming out of the CAC.

Councilor Anderson stated weren't they also working on an off-leash dog park as well. I don't think that has come back.

Councilor Allen stated I think it should be encouraged to hear from the CAC rather than us just directing what they are to do.

Mayor Daoust stated it goes both ways. They can develop a work plan and submit that to us telling us what they want to work on, which is fine. But they are also looking for ideas from us. I am just throwing out the idea of the UGB and what all it takes to get involved in that process.

Councilor Allen stated they could be very helpful.

Councilor Wilson stated I know you are going to talk about the bicycle rack, but I have a concern about the design and the location of the racks. Maybe we can assign the CAC with the task of going through the downtown area to find a better location for them and look for different designs for the racks.

Councilor Anderson replied that is a great idea.

Mayor Daoust stated I like the idea, but I was thinking about having a work session on bike hub and artist hub. Maybe the Council could take that on.

Councilor White asked is that going to include the curb extensions as well?

Mayor Daoust stated it could. There has been a lot of discussion between a few people but not the Council as a whole on this bicycle hub program for the cities in the Gorge. All of the Gorge cities are working on a bicycle hub – Cascade Locks, Hood River, The Dalles, and us. I would like to have one work session on the following two topics:

- 1) Bicycle Gorge Hub Project including bike rack location, where we want this bicycle hub structure to go, do we want part of it down at Rip's property and part of it at Mayors Square.
- 2) Artist Hub. There is a lot of discussion on Rip's project and other spaces that are opening up in the City for artists. We need to discuss that.

The visioning for this City is the arts, the heritage and history, sight-seeing and active outdoor activities. Those are pillars that we talk about when we talk about the vision for Troutdale.

Another topic that I think deserves merit to discuss and that is welcoming the students back to Reynolds High School. There is a grass root effort going on to welcome the students back to school in a positive, supportive manner. There is a post card campaign. They have received over 1,500 post cards from all around the United States from people that have well-wishes for the students and the faculty of Reynolds High School. There is also some folks that want to stand on the sidewalk on September 4th and 5th and welcome the students back to school. As an alternative the staff at Reynolds suggested that folks come into the school at lunch time and sit down with the students and talk with them.

We all heard the news about the Circuit Court Judge ruling on the Multnomah County gun ordinance. Kathleen Daley dismissed the Troutdale resident, Frank Grande, as mute because the new city ordinance that we passed rendered the County ordinance unenforceable in Troutdale.

The Mayor's Town Hall on the future of city hall will be on Tuesday, September 16th at 7pm at the Police Community Room. This is where we will here public comment on what should go into a city hall, where it should be located, etc. This will give the public an opportunity to comment on our city hall process.

10. ADJOURNMENT:

MOTION: Councilor Anderson moved to adjourn. Seconded by Councilor Wilson. Motion passed unanimously.

Meeting adjourned at 9:56pm.

DRAFT

Doug Daoust

Dated: _____

ATTEST:

Debbie Stickney, City Recorder

Exhibit A

August 26, 2014 Jt. CC/URA Minutes



August 15, 2014

The 2nd Annual Bite of East County, held on July 26th, was a great success. We had nearly 1500 people attend the Bite. The music provided by Midlyfe Crisis was a crowd pleaser, the food was delicious, and all who attended had a great time.

Zarephath Kitchen & Pantry wishes to thank all who participated in the planning and coordination of this fantastic East County event. Their contribution and efforts facilitated in making the event so memorable. We are especially grateful to the city of Troutdale for the use of Columbia Park. This venue is a fantastic location for the Bite of East County and we are looking forward to being at this same location for several more years. We also wish to thank the City of Fairview for donating the use of their equipment and tents.

The local restaurants that were featured this year include Bumpers Bar & Grill, Joy Teriyaki, Alexander's, La Mixteca, Corbett Country Market, G's Goodies and Nicholas. Desserts were served up by Liberated Baking and J Gelati Italian Ice & Frozen Custard. Skyland Pub served up a varied selection of domestic and local craft beers. Patrons of the event voted Bumpers Bar & Grill "Best of Bite".

Zarephath Kitchen and Pantry has been serving the needs of East County for over 20 years. The Bite of East County helped raise approximately \$10,000 for Zarephath to help feed the hungry and lower income residents of East County. That money will help us to purchase close to 160,000 pounds of food.

We wish to thank Harry's Fresh Foods, Teeny Foods, Weston Kia, Oregon Spice Company, Boyd's Coffee, 1st Community Credit Union, Gresham Ford, and Kink FM for their support as sponsors of the Bite of East County. Without them, none of this would be possible.

The 3rd Annual Bite of East County will be held July 25, 2015 at Columbia Park in Troutdale.

Exhibit B

August 26, 2014 Jt. CC/URA Minutes



lifestyle + recreation destination
gateway to the columbia gorge

city of troutdale, oregon
eastwinds development, llc

regional setting



- gateway to the columbia river gorge
- eastern edge of the portland metro area with 1.7 m population
- I-84 connections



site concept



concept overview



- boutique hotel
- signature restaurant
- café / grill / pub
- event centers
- kibling bridge
- spa
- specialty shops
- watertower
- outdoor venues
- bike / recreational path

existing site



site facts



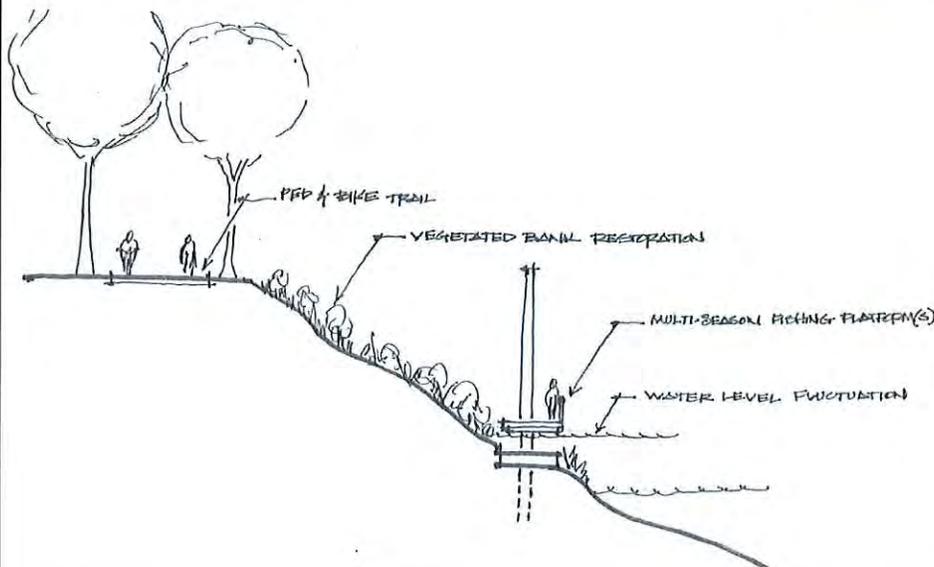
- development area 22.48 acres
- troutdale urban renewal area
- ODOT interstate 84 bridge reconstruction
- eastern end of portland's "40-mile loop" bicycle path system
- western end of columbia river gorge bicycle touring routes
- landmark water tower 126 feet

riverbank facts



- sandy river frontage: 1,700 feet
- vegetative corridor shoreline restoration
- waterfront public access: fishing + recreation

riverbank features



architectural vision



- pacific northwest modern
- sustainable design
- integration with natural setting
- pedestrian scale
- seasonal indoor / outdoor activities
- wind protected courtyards

active lifestyle



- bicycle oriented features
- climbing wall
- projected movies
- fishing
- donkey long wall
- center for group bike tours
- outdoor recreational activities
- integration of outdoors into development

active lifestyle

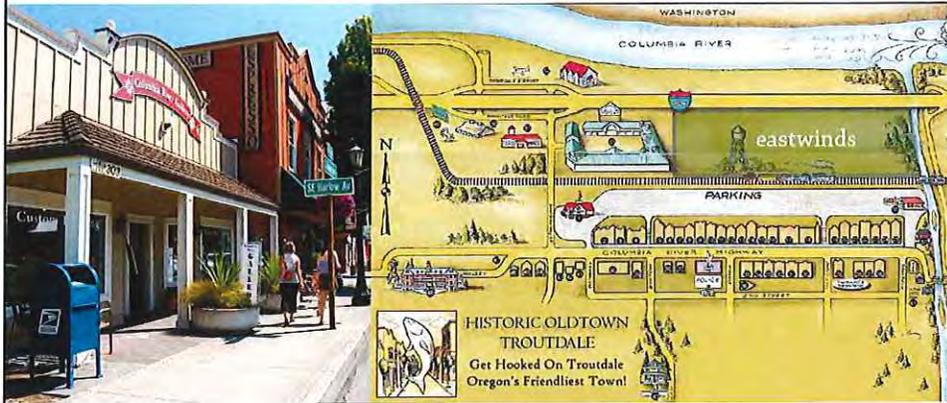


community



- downtown troutdale
- troutdale — 15,962 residents
- growth up 16% since 2000
- 2.5 million people residing within 60 miles

community



- enthusiastic support of the troutdale community
- troutdale population: 16,200 residents

recreation



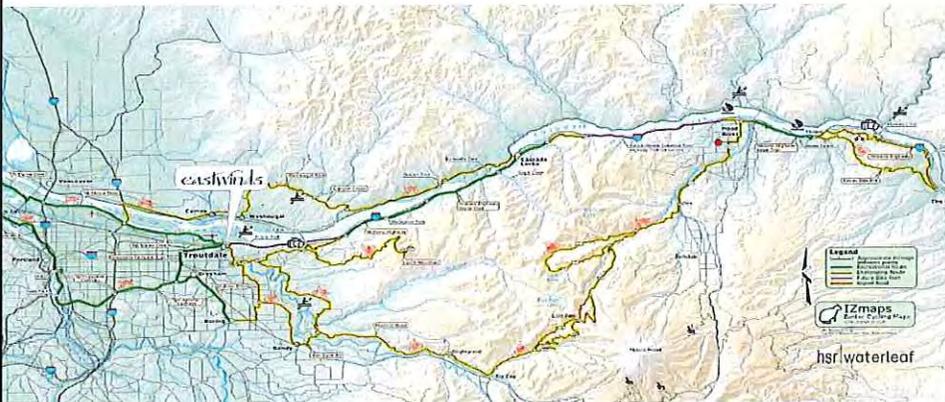
- year round recreational activities
- bike touring launch point
- snow trekking – 45 minutes
- watersports – 20 minutes

recreation



- miles of hiking for all abilities
- river sports, kayaking, rafting

bike routes



- regional center for paths, trails and bikeways
- biking for all levels

next steps



- inform stakeholders
- activate community support
- recruit investors

development team

eastwinds development, llc, an oregon subsidiary of the yoshida group
developer

ron garzini
developer representative

hsr / waterleaf
design + project management

contributors

e.d. govee
market analysis

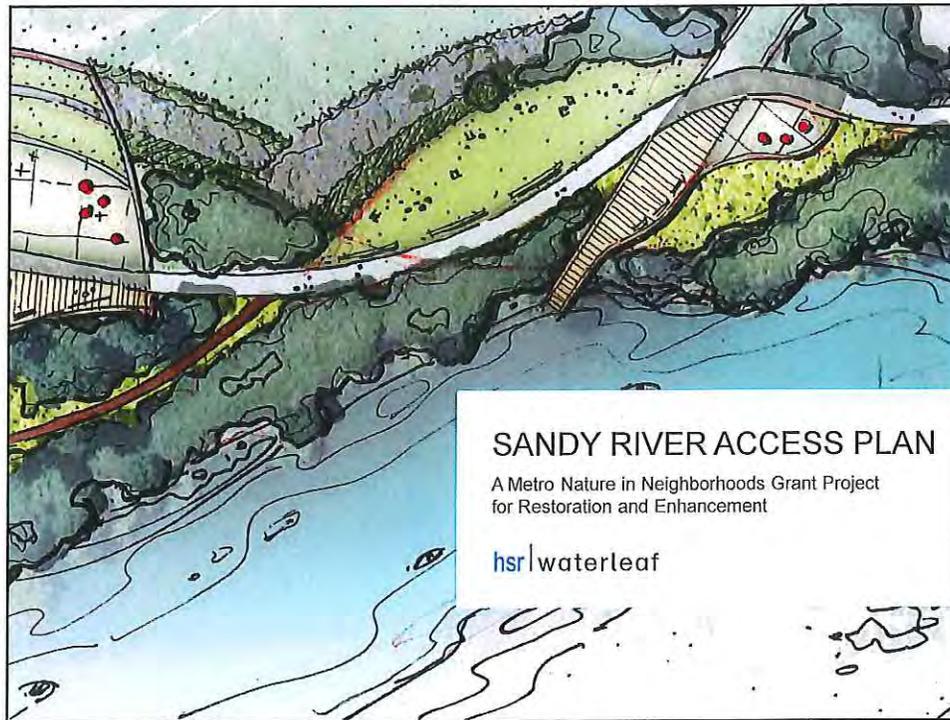
craig holmes
architectural renderings

ismaps
cycling map



Exhibit C

August 26, 2014 Jt. CC/URA Minutes



**Sandy River Basin
Watershed Council**

Working together to restore the Sandy River

Sandy River Access Plan

The Sandy River Access Plan directly addresses the purpose and multiple goals of the Nature in Neighborhoods grant program.

I. Executive Summary

- The Sandy River Access Plan seeks to balance public uses and river access in an urban context, including placement and design of a multi-use trail plan, with habitat enhancement priorities, including riparian restoration.

hsr|waterleaf



The project fits perfectly with other community visions and objectives.

- Restored segment of the Sandy River
- Preservation of view corridors
- Restoration of natural riparian habitat
- Community access to the river
- Pedestrian and bicycle-path amenities

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II. Introduction

The Sandy River Access Plan addresses riparian restoration priorities of the riverfront as well as natural and recreational values of the river in the most effective way possible to benefit the riverbank environment and the public.

hsr | waterleaf



Orientation

- Character of the riverbank
 - South area between Depot Park and access under the RR bridge
 - Stepped area with plateau and ridge
 - Transition area to steep bank with riprap
 - Steep bank with riprap and stepped trail under the Interstate 84 bridge
 - Views to the Sandy River and Broughton Bluff

hsr | waterleaf



III. Process

Charrette #1: Stakeholders

- Invitees included stakeholders representing: fishing, biking, conservation, development/funding, transportation, and cultural interests
- Comments from stakeholders categorized by public access, public amenities, riverbank and river restoration, regulatory agencies and their requirements, next steps

hsr | waterleaf



Charrette #2: Regulatory Agencies

Goal: to achieve a complete understanding of the regulations affecting design, costs, and timeline and to facilitate seamless approvals

- Which agency's application must be submitted first
- The order in which other agencies' applications are submitted
- Metro and Governor's Regional Solutions Team

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IV. Outcome of the Design and Charrette Process

- Public access
- Public amenities
- Trail Use
- Riverbank and river restoration
- Regulatory agencies and their requirements
- Next Steps

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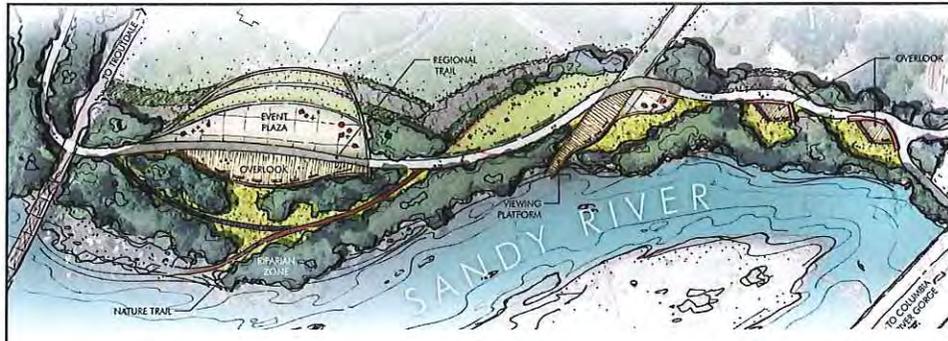
- **Public access**
 - Connect people to their watershed
 - Improve the ability of underserved communities to experience and access nature
 - Bike/pedestrian path and connections to 40-Mile Loop, downtown Troutdale and access under the RR bridge

hsr|waterleaf



- **Public Amenities**
 - Fishing platforms vs. access to the river
 - Develop appropriate native planting zones
 - Riparian restoration
 - Meadow grasses
 - Upland mixed deciduous / evergreen

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A landscape architectural plan of the Sandy River area. The plan shows a winding river labeled "SANDY RIVER" in the foreground. Various trails are marked: "REGIONAL TRAIL" at the top, "NATURE TRAIL" on the left, and "TRAILING PLATFORM" near the river. Other features include an "EVENT PLAZA", "CHEROCOK", "REPARATION ZONE", and "OVERLOOK". A road labeled "TO COVINGTON PARK GOLF COURSE" is shown on the right. The plan uses color coding to distinguish between different types of terrain and infrastructure.

- **Trail use**
 - Main trail accessibility
 - Trail connections/access
 - Trail design features
 - Directing behavior and minimizing unwanted uses

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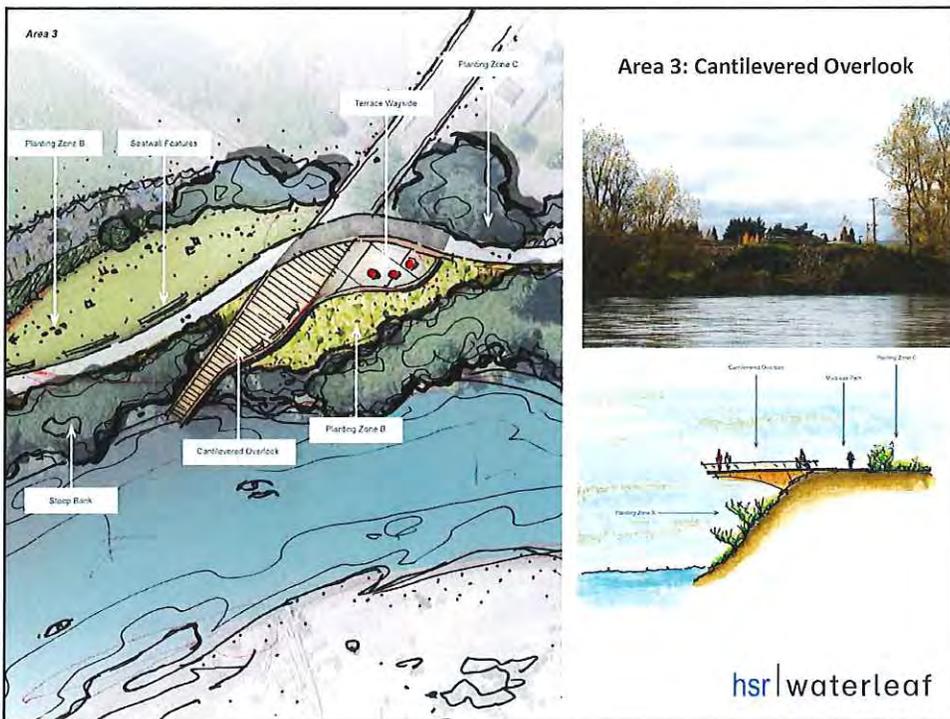
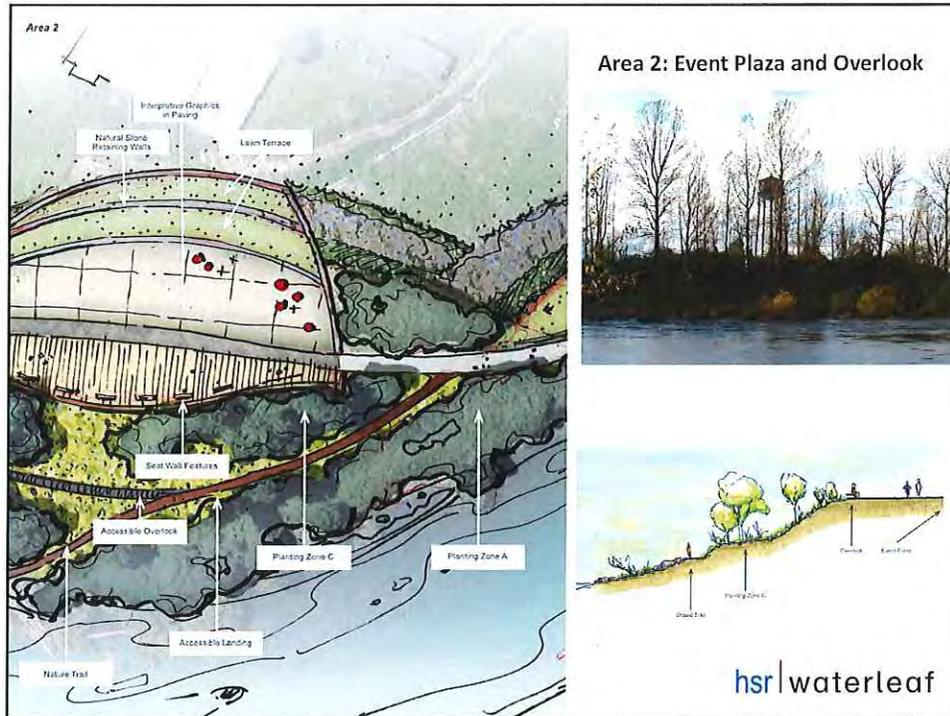
A detailed landscape architectural plan of "Area 1" showing a "Railroad/Trail Underpass". The plan includes several labeled zones and features: "Sloped Trails (Open Park) / Courthouse River Hwy (Downtown Troutdale)", "Underpark Protection Zone", "Hard Surface Multi-use Path", "Flaring Zone C", "Parking Zone A", and "Gravel Trail". A bridge structure is shown crossing the river, with the underpass located beneath it.

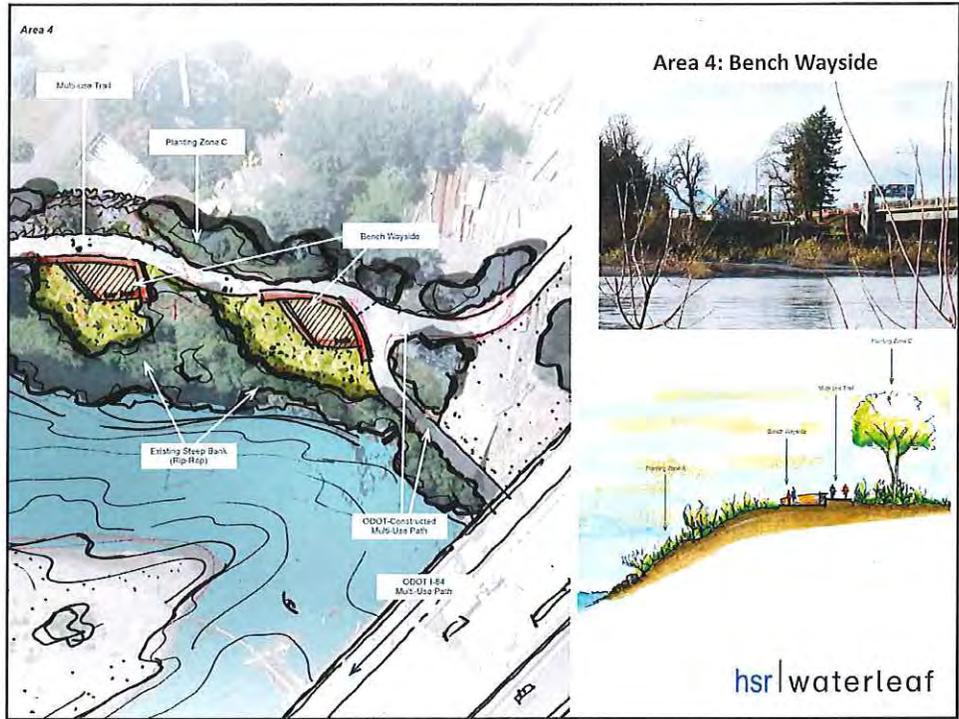
**Area 1:
Railroad/Trail Underpass**

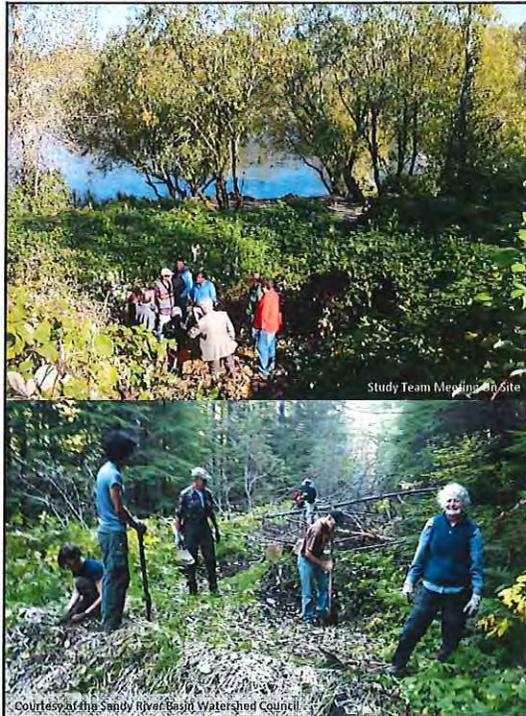


A photograph showing a bridge over a river. The bridge has a dark metal truss structure. The river is in the foreground, and there are trees and vegetation on the banks. The sky is overcast.

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Riverbank and river restoration

- Preserve and restore fish and wildlife habitat
- Restoration plan



Courtesy of the Sandy River Basin Watershed Council

hsr | waterleaf



Regulatory agencies and their requirements

- Define limits of the Vegetative Corridor (VECO) and riparian restoration
- Identify regulatory agencies
- Prepare schedule with an approval process

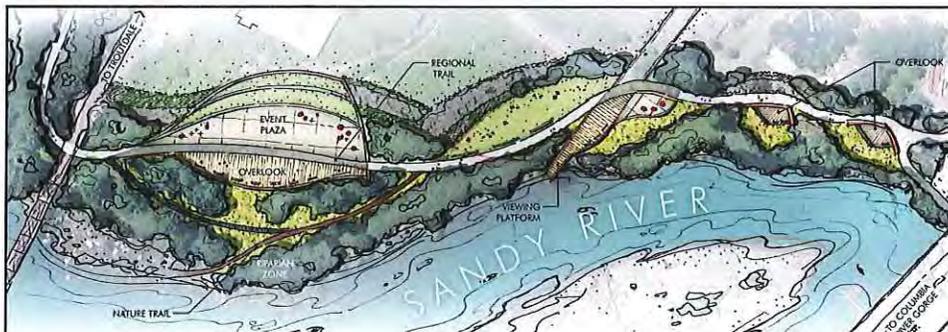
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V. Cost Summary

• Preliminary construction cost estimate:	\$3,560,000
• Projected soft costs (25%): (Permits, Engineering and Design, etc.)	\$ 890,000
Total Project Cost:	\$4,450,000

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Next Steps

- Current project development status
- Community engagement and partnerships

hsr|waterleaf



VI. Conclusion

The project fits perfectly with other community visions and objectives.

- Preserves view corridors that enhance the redevelopment potential of the adjacent property
- Provides pedestrian and bicycle amenities
- Restores natural riparian habitat
- Provides the community access along and to the river

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Exhibit D

August 26, 2014 Jt. CC/URA Minutes

Mission: To enhance the region's economy and quality of life by providing efficient cargo and air passenger access to national and global markets.



August 26, 2014

Mayor Doug Daoust and Council Members
Troutdale City Hall
219 E. Historic Columbia river Highway
Troutdale, OR 97060-2078

Dear Mayor Daoust and Council Members:

As a landowner in Troutdale and partner on industrial development, the Port of Portland (Port) applauds the City of Troutdale's plans to move forward on the 40-acre Troutdale Town Center urban renewal district established in 2006. The City's vision to cleanup and redevelop a portion of this area for a luxury hotel complex, restaurant, spa and recreational trail is laudable. This development will leverage the significant state investment in the Troutdale Interchange and continue Troutdale's downtown revitalization work.

We are pleased to see this initiative proceed with the proposed sale of the former City Wastewater Treatment property to Eastwinds Development. We look forward to hearing more about future milestones on this project related to financing the urban renewal of the site and installing public infrastructure.

Sincerely,

A handwritten signature in black ink, appearing to read "Lise B. Glancy", is written over a faint, larger version of the same signature.

Lise B. Glancy
Regional Government Relations Manager

c: Craig Ward

BACKGROUND:

Metro has been designated by the State of Oregon as the agency responsible for meeting recycling level mandates within the Metro region as set forth in the Regional Solid Waste Management Plan. Since 1990, Metro and the City have developed cooperative plans to implement the region's waste reduction and recycling programs.

The Annual Waste Reduction Work Plan is the primary means by which Metro and local governments plan for waste reduction and recycling programs, projects, and activities. Troutdale's Annual Work Plan focuses on maintenance of the City's existing waste reduction and recycling programs only and does not include a Recycle at Work plan (mandatory business recycling). This is the 25th year that the City and Metro have worked together on waste reduction and recycling programs, projects, and activities. This is the 5th consecutive year that Troutdale has declined to participate in the Recycle at Work Program, thereby rendering the City non-compliant with the Regional Solid Waste Management Plan, which has prevented the City from receiving Recycle at Work funding from Metro.

PROS & CONS:

Pros:

- Provides seven thousand four hundred sixty-four dollars (\$7,464.00) in funding for the City's Solid Waste and Recycling Program.
- Allows the City to demonstrate compliance with state law (OAR 340-090-0040 and ORS 459A).
- Declining to participate in the Recycle at Work Program avoids a mandate upon businesses to recycle.

Cons

- Declining to participate in the Recycle at Work Program results in the City foregoing \$4,511 of grant funding in this plan year that would be applied to recycling technical assistance services to Troutdale businesses.

Current Year Budget Impacts Yes (describe) N/A

The Solid Waste & Recycling budget for FY2014-15 already anticipated this funding.

Future Fiscal Impacts: Yes (describe) N/A

Grant funding for this program is allocated annually.

City Attorney Approved N/A Yes

Community Involvement Process: Yes (describe) N/A



600 NE Grand Ave.
Portland, OR 97232-2736
(503) 797-1700

Intergovernmental Agreement

Metro Contract No. 932890

THIS AGREEMENT, entered into and under the provisions of ORS Chapter 190, is between Metro, a metropolitan service district organized under the laws of the State of Oregon and the Metro Charter, located at 600 NE Grand Avenue, Portland, OR 97232-2736, and CITY OF TROUTDALE hereinafter referred to as "City", whose address is 219 E Historic Columbia River Hwy, Troutdale, Oregon 97060.

In exchange for the promises and other valuable consideration set forth below, the parties agree as follows:

1. Purpose. The purpose of this Agreement is to establish the responsibilities of the parties in implementing the Fiscal Year 2014-15 Metro and Local Government Annual Waste Reduction Plan.
2. Term. This Agreement shall be effective July 1, 2014, and shall remain in effect through June 30, 2015 unless earlier terminated in conformance with this Agreement. Costs for this project may be incurred from date of last contract signature.
3. Services Provided and Deliverables. City and Metro shall perform the services described in the attached Scope of Work, which is made part of this Agreement by reference, and otherwise fully comply with the provisions in the attached Scope of Work (Attachments A and B).
4. Payment for Services. Metro shall pay City for Annual Waste Reduction services performed and materials delivered in the maximum sum of SEVEN THOUSAND, FOUR HUNDRED SIXTY-FOUR AND NO/100THS DOLLARS (\$7,464.00) in the manner and at the time designated in the Scope of Work.
5. Insurance. City agrees to maintain insurance levels, or self-insurance in accordance with ORS 30.282, for the duration of this Agreement to levels necessary to protect against public body liability as specified in ORS 30.272. City also agrees to maintain for the duration of this Agreement, Workers' Compensation Insurance coverage for all its employees as a self-insured employer, as provided by ORS chapter 656, or disability coverage under its Disability, Retirement and Death Benefits Plan.

Intergovernmental Agreement

6. Indemnification. Subject to the provisions of the Oregon Constitution and Oregon Tort Claims Act, City shall indemnify, defend, and hold Metro and Metro's agents, employees, and elected officials harmless from any and all claims, demands, damages, actions, losses, and expenses, including attorney fees, arising out of or in any way connected with, City's performance under this Agreement.

7. Termination. This Agreement may be terminated by either party without cause upon giving 90 days written notice of intent to terminate. This Agreement may be terminated with less than 90 days notice if a party is in default of the terms of this Agreement. In the case of a default, the party alleging the default shall give the other party at least 30 days written notice of the alleged default, with opportunity to cure within the 30-day period. Termination shall be without prejudice to any obligations or liabilities of either party already accrued prior to such termination.

8. State Law Constraints. Both parties shall comply with the public contracting provisions of ORS chapter 279A, B & C and to the extent those provisions apply, they are incorporated into this Agreement by reference. Specifically, it is a condition of this Contract that all employers working under this Agreement are subject employers that will comply with ORS 656.017.

9. Notices. Legal notice provided under this Agreement shall be delivered personally or by certified mail to the following individuals:

For City:

Office of City Attorney
City of Troutdale
219 E Historic Columbia River Hwy
Troutdale, OR 97060

For Metro:

Office of Metro Attorney
Metro
600 NE Grand Avenue
Portland, OR 97232-2736

Informal coordination of this Agreement will be conducted by the following designated Project Managers:

For City:

Amy Pepper
City of Troutdale
342 SW 4th Street
Troutdale, OR 97060
(503) 674-7241

For Metro:

Bryce Jacobson
Metro
600 NE Grand Ave.
Portland, OR 97232
(503) 797-1663



600 NE Grand Ave.
Portland, OR 97232-2736
(503) 797-1700

Intergovernmental Agreement

City may change the above- designated Project Manager by written notice to Metro. Metro may change the above-designated Project Manager by written notice to City.

10. Assignment. This Agreement is binding on each party, its successors, assigns, and legal representatives and may not, under any condition, be assigned or transferred by either party without prior written approval by the other party.

11. Integration. This writing contains the entire Agreement between the parties, and may only be amended by written instrument, signed by both parties.

12. Severability. If any portion of this Agreement is found to be illegal or unenforceable, this Agreement nevertheless shall remain in full force and effect and the offending provision shall be stricken.

This Agreement is dated as of the last signature date below.

CITY OF TROUTDALE

METRO

By: _____

By: _____

Print name and title

Print name and title

Date

Date

Scope of Work Intergovernmental Agreement

Metro Contract No.

Attachment A

SCOPE OF WORK: Annual Waste Reduction Plan

- I. Task: Funding for Fiscal Year 2014-15 of the Metro and Local Government Annual Waste Reduction Plan.
 - a) Term: July 1, 2014 to June 30, 2015
 - b) City's responsibilities. City shall:
 1. Provide to Metro a copy of City's Resolution or Ordinance approving this Intergovernmental Agreement including all of its attachments.
 2. Ensure that by June 30, 2015, the activities specified in Attachment A and Attachment B have been completed.
 3. On or before August 1, 2015, submit the following:
 - A) A completed reporting worksheet.
 - B) Demonstrated compliance with OAR 340-090-0040 and the Regional Solid Waste Management Plan.
 - c) Metro Responsibilities. Metro shall:
 1. Provide technical assistance to City as necessary to develop, execute, monitor, and evaluate the project.
 2. Provide assistance to City on promotional and educational activities.
 3. Monitor the general project progress and review as necessary City's accounting records relating to project expenditures.
 - d) Budget and Terms of Payment:
 1. Upon completion of section (b)(1) of this Scope of Work, Metro shall pay City SEVEN THOUSAND, FOUR HUNDRED SIXTY-FOUR AND NO/100THS DOLLARS (\$7,464.00) in one lump sum. City's billing invoice shall include the Metro contract number, City name, remittance address, invoice date, invoice number, and invoice amount. City's billing invoice shall be sent to Metro Accounts Payable, 600 NE Grand Avenue, Portland, OR 97232-2736 or metroaccountspayable@oregonmetro.gov. The Metro contract number shall be referenced in the email subject line. City's billing invoice for goods and services through June 30 shall be submitted to Metro by July 15. Payment shall be made by Metro on a Net 30 day basis upon approval of City's invoice.
 2. City and Metro recognize that the Metro and Local Government Annual Waste Reduction Plan is a multi-year program and that future rounds of funding will depend in part on City's performance in implementing program activities during the term of this contract.

Scope of Work

Intergovernmental Agreement

Attachment B

FISCAL YEAR 2014-15 ANNUAL WASTE REDUCTION PLAN

Jurisdiction: City of Troutdale Contact: Amy Pepper

1. Program Overview Narrative

Provide a narrative overview of programs, services and focus areas for FY 2014-15 and describe your jurisdiction's waste prevention and recycling activities separately. Include participation with regional planning efforts and demonstration of compliance with state law. In addition, the following elements are **required** as part of the Annual Plan and may be addressed in the narrative portion of your plan or in the tasks table:

- a) Demonstrate compliance with the Regional Service Standard by completing the **Regional Service Standard: Level and Frequency of Service** table for your jurisdiction. Cooperatives should report on behalf of member jurisdictions.
 - o *A Compliance Certification form was submitted to Metro September 24, 2009*
- b) Implement waste prevention activities for each area of the residential and commercial sector (single-family, multi-family, business, construction & demolition, commercial organics, toxicity reduction).
 - o *The City intends to public articles in the City's newsletter, the Troutdale Champion, related to waste prevention, as indicated in the annual plan below.*
- c) Identify and undertake a specific curbside recycling outreach activity for an existing local government program.
 - o *The City intends to public articles in the City's newsletter, the Troutdale Champion, related to waste prevention, as indicated in the annual plan below.*
- d) Participate in at least one regional waste reduction planning group.
 - o *As indicated in the annual plan below, the City has a representative on the Solid Waste Advisory Committee and intends to participate in the monthly Solid Waste Directors meeting, as time allows.*
- e) Maintain or increase curbside recovery levels (total tons and per capita tons recovered and disposed).
 - o *The City's franchised waste hauler, Waste Management of Oregon, Inc reports monthly to the City the quantities of recyclable materials collected from Troutdale customers. Said reports are forwarded to Metro. The City intends to maintain or improve those levels through effective outreach and educational programs.*

Scope of Work Intergovernmental Agreement

- f) Recycle at Work program goals (including compliance with the Business Recycling Requirement). See Section II. A., Elements 1.-11., for the items that must be addressed in the narrative. *Please include this narrative section with the Recycle at Work table at the end of this document.*
- o *After thorough discussion over the course of several meetings, including two public meetings, the Troutdale City Council voted against a proposed ordinance that would have adopted Metro's Business Recycling Requirement (BRR) at its regular Council meeting of September 27, 2011. The Council found that given the economic climate, high percentage of Troutdale businesses already recycling and Council's goal to encourage economic development, it could not support such an ordinance.*

2. Budget Information

- a) Provide overall solid waste and recycling budget.
- o *The Year 25 allocation for Troutdale is \$7,464.00, which is approximately 29% of the Troutdale Solid Waste/Recycling program budget of \$25,374.00.*
- b) Provide overall Recycle at Work budget and percentage of budget supported by Metro Recycle at Work funds. List staff working on Recycle at Work, FTE, and source of funding for staff (Metro or local government). *Not applicable.*
- Budget and funding sources
 - Staff (name, title, FTE, funding source, changes over previous FY)

3. Annual Work Plan Task Tables

Complete the **Recycle at Work** outreach plan and narrative. Complete the **Maintenance & Expansion of Existing Programs** tables, separately listing specific waste prevention and recycling activities planned for completion during this fiscal year. Add rows as needed. Complete the **Regional Service Standard** table for your jurisdiction or cooperative members.

Scope of Work

Intergovernmental Agreement

Maintenance & Expansion of Existing Programs

Status Key:

- (O) Ongoing--minor administrative updates and changes only.
 (R) Revised--major program policy or implementation adjustments (provide details).
 (N) New--brand new program, or substantially revised or reconstituted (provide details).

Single-family Residential (Include home composting programs)	
Waste Prevention Activities	Status
1. Publish articles related to waste prevention, waste reduction, and recycling at least 4 times per year in the City newsletter, the <i>Troutdale Champion</i> .	O
2. Provide information about waste prevention, waste reduction, and recycling at the City's Earth Day event in April 2015, if an event is held.	O
Recycling Activities	Status
1. Required: Curbside recycling outreach activity for an existing program:	
a. Home composting exemption program handled by Waste Management.	O
b. Promote composting and rate reduction in the <i>Troutdale Champion</i> one time per year.	O
c. Publish articles related to waste prevention, waste reduction, and recycling at least 4 times per year in the City newsletter, the <i>Troutdale Champion</i> .	O

Multi-family Residential	
Waste Prevention Activities	Status
1. Publish articles related to waste prevention, waste reduction, and recycling at least 4 times per year in the City newsletter, the <i>Troutdale Champion</i> .	O
Recycling Activities	Status
1. Participate in plan review process to ensure that 100% of complexes provide for recycling.	O

Scope of Work

Intergovernmental Agreement

Construction & Demolition	
Waste Prevention Activities	Status
1. Encourage recycling and reuse of construction materials in the conditions of the Public Works permits.	O
Recycling Activities	Status
1. Encourage recycling and reuse of construction materials at pre-construction meetings.	O
2. Provide Metro toolkit at the Building Permit counter.	O

Toxicity Reduction	
Waste Prevention Activities	Status
1. Include articles in the <i>Troutdale Champion</i> about alternative to using hazardous chemicals.	O
Recycling Activities	Status
1. Support Metro's Hazardous Waste Collection Events held in Troutdale.	O
2. Support Drug Take Back collection depot at the Troutdale Community Police Station.	O

Other	
Required Elements (may be addressed here or in narrative portion of the plan)	Status
1. Demonstrate compliance with the Regional Service Standard (including individual jurisdictions within cooperatives) by completing RSS: Frequency of Service Table.	O
2. Maintain or increase curbside recovery levels (total tons and per capita tons recovered and disposed).	O
3. Participate in at least one regional waste reduction planning group. <i>(please provide details): Participate on Solid Waste Advisory Committee and attend Solid Waste Director's monthly meeting as time allows.</i>	O
Waste Prevention Activities	Status
Recycling Activities	Status
1. Hold Annual Spring Cleanup event for yard debris and other bulky materials.	O

RESOLUTION NO.

A RESOLUTION APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN METRO REGIONAL GOVERNMENT AND THE CITY OF TROUTDALE FOR FUNDING OF THE YEAR TWENTY-FIVE ANNUAL WASTE REDUCTION PROGRAM.

THE TROUTDALE CITY COUNCIL FINDS AS FOLLOWS:

1. Metro has been designated by the State of Oregon as the agency responsible for meeting recycling level mandates within the Metro region; and
2. Metro has adopted a regional Solid Waste Management Plan for the Metro Region that requires each local jurisdiction to prepare and implement an Annual Waste Reduction Plan, while Metro provides each jurisdiction with funding for their program; and
3. The City of Troutdale's Year 25 Annual Waste Reduction Plan has been approved by Metro.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TROUTDALE

Section 1. The City of Troutdale hereby approves the Year 25 Waste Reduction Work Plan (attached as Exhibit "A" to the staff report).

Section 2. The City Manager, or designee, is authorized to sign the IGA on behalf of the City of Troutdale.

Section 3. This resolution is effective immediately upon adoption.

**YEAS:
NAYS:
ABSTAINED:**

Doug Daoust, Mayor

Date _____

Debbie Stickney, City Recorder

Adopted:



CITY OF TROUTDALE



STAFF REPORT

SUBJECT / ISSUE: A Resolution Approving Improvements to the Old Police Station Site.

<p>MEETING TYPE: City Council Regular Mtg.</p>	<p>MEETING DATE: September 23, 2014 STAFF MEMBER: Erich Mueller DEPARTMENT: Finance</p>
<p>ACTION REQUIRED Consent Agenda/Resolution</p> <p>PUBLIC HEARING No</p>	<p>ADVISORY COMMITTEE/COMMISSION RECOMMENDATION: Not Applicable</p> <p><u>Comments:</u></p>
<p>STAFF RECOMMENDATION: Approve resolution as drafted by Staff.</p>	

Subject / Issue Relates To:

- Council Goals
 Legislative
 Other (describe)

Issue / Council Decision & Discussion Points:

- ◆ Expiring Temporary Variance for the gravel parking lot use
- ◆ Site improvements as needed for code compliance

BACKGROUND:

The Planning Commission provided a one year Temporary Variance on October 16, 2013 for a gravel parking lot use on the old Police Station site. The Council held a work session September 9, 2014 to consider the future use of the old Police Station site.

Reviewed and Approved by ^{Acting} City Manager: 

During the work session the Council considered several options including, possibly selling the property, seeking another Temporary Variance for a gravel parking lot use, a variety of other non-parking lot uses, and making the necessary improvements to comply with the Troutdale Development Code (TDC) for a regular (non-temporary) parking lot use.

The Council considered several documents including a site map with improvement areas, cost estimates for potential improvements, a summary of the site appraisal and value, the Planning Commission Order and Temporary Variance, the approved Multnomah County Road Rules Variance, the City Grant of Ingress to the adjacent property, and the authorized spending provisions of Police Facility Bond Ballot Measure 26-116.

After discussion, public input, and consideration the Council reached a consensus to make the various improvements recommended to bring the site into compliance with the TDC for the ongoing interim use as a regular parking lot, including upgrading the site lighting.

The expenditures shall be made from the remaining budgeted funds available from the Police Facility Project bond of approximately \$50,000. The total cost of the improvements and lighting upgrades is estimated at approximately \$61,000. The approximately \$11,000 of additional expenditures are to be funded from a transfer from the General Fund contingency budget.

SUMMARY:

The resolution provides approval of the Council work session consensus, and staff authorization to proceed.

PROS & CONS:

- A. Approve the proposed resolution to provide the funding and authorization to make the site improvements to bring the site into compliance with the TDC for the ongoing interim use as a standard parking lot.
- B. Not approve the proposed resolution, halt any improvements, and potentially put the City in violation of the Planning Commission Order and Temporary Variance.

<p>Current Year Budget Impacts <input checked="" type="checkbox"/> Yes (<i>describe</i>) <input type="checkbox"/> N/A Estimated expenses \$11,000 of General Fund contingency, the \$50,000 from the Police Facility Project fund is already budgeted.</p> <p>Future Fiscal Impacts: <input type="checkbox"/> Yes (<i>describe</i>) <input checked="" type="checkbox"/> N/A</p> <p>Community Involvement Process: <input type="checkbox"/> Yes (<i>describe</i>) <input checked="" type="checkbox"/> N/A</p>

RESOLUTION NO.

A RESOLUTION APPROVING IMPROVEMENTS TO THE OLD POLICE STATION SITE.

THE TROUTDALE CITY COUNCIL FINDS AS FOLLOWS:

1. The voters approved ballot Measure 26-116 in November 2010 to provide funding for the construction of a new Police Facility, and to demolish the old police station and make site improvements.
2. During the summer of 2013 the demolition of the old building was completed, and additional site improvement were deferred while the future use of the site was considered.
3. The Planning Commission Order and Temporary Variance of October 16, 2013 allowed the site to be used as a temporary gravel parking lot for one year.
4. After due consideration, the Council has determined to make the necessary improvements to convert the site from a temporary use gravel parking lot, to an interim use as a standard parking lot.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TROUTDALE:

Section 1. Approves the improvements necessary to convert the old police station site from a temporary gravel parking lot use to an interim use as a standard parking lot.

Section 2. Approves the estimated budget of \$61,000 for paving, landscaping, and lighting improvements from the balance of the Police Facility Project Fund and the remaining costs from the General Fund Contingency budget.

Section 3. In accordance with customary City policy and procedures, the Public Works Director is hereby authorized and directed to proceed with the proposed site improvements.

Section 4. The Finance Director is authorized to disburse funds, subject to annual appropriations, as necessary to complete the site improvements, and is further directed to implement all such actions necessary to ensure budgetary compliance.

Section 5. This Resolution shall be effective upon adoption.

YEAS:
NAYS:
ABSTAINED:

Doug Daoust, Mayor

Date _____

Debbie Stickney, City Recorder
Adopted:



CITY OF TROUTDALE



STAFF REPORT

SUBJECT / ISSUE: A Resolution Providing Advance Authorization of Economic Development Travel Expenses Of The Mayor.

<p>MEETING TYPE: City Council Regular Mtg.</p>	<p>MEETING DATE: September 23, 2014 STAFF MEMBER: Erich Mueller DEPARTMENT: Finance</p>
<p>ACTION REQUIRED Consent Agenda/Resolution</p> <p>PUBLIC HEARING No</p>	<p>ADVISORY COMMITTEE/COMMISSION RECOMMENDATION: Not Applicable</p> <p><u>Comments:</u></p>
<p>STAFF RECOMMENDATION: Approve Resolution as proposed by staff.</p>	

Subject / Issue Relates To:

- Council Goals
 Legislative
 Other (describe)

GOAL 1: ENCOURAGE ECONOMIC DEVELOPMENT

A. OBJECTIVE: DEMONSTRATE CLEAR PROGRESS ON TROUTDALE RIVERFRONT DEVELOPMENT

Measure 1: Cooperate with prospective developers who pursue desirable development plans consistent with feasible public financial constraints

- ◆ The City desires to achieve redevelopment of its former sewer treatment plant site and the adjacent, privately owned Eastwinds Development LLC property as part of the Troutdale Riverfront Renewal Plan Area.
- ◆ The City and Eastwinds Development LLC have operated in an effective public/private partnership manner to pursue redevelopment .
- ◆ The City and Eastwinds Development LLC wish to collaborate with the Outlet Mall on redevelopment of the Troutdale Riverfront Renewal Plan Area.

Reviewed and Approved by ^{Acting} City Manager: 

BACKGROUND:

Through significant public involvement in order to protect the public health, safety, and welfare of the public, in 2006 the City created Troutdale Riverfront Renewal Plan to eliminate blight and foster development and redevelopment in the plan area.

Eastwinds Development LLC has created a multifaceted development vision that aligns many of the City's commercial and job creation goals for the site, with a mix of hospitality with event and conference facilities, leading edge hotel, restaurant, mixed-use development, and high-quality retail opportunities. The project vision also includes many important public recreational benefits including connections and expansion of the 40-Mile Loop Regional Bicycle Trail and the western terminus of the Columbia River Gorge trail, and for community access and enjoyment of the Sandy Riverfront portions of the property while protecting the riparian habitat.

Over the past several years the City and Eastwinds Development LLC have operated in an effective public/private partnership manner to successfully implement programs and grant projects for brownfield rehabilitation from Business Oregon, the State Department of Environmental Quality, and the Federal Environmental Protection Agency. And in the past year have also developed the "Sandy River Access Plan" along with the Sandy River Basin Watershed Council through the Metro Nature in Neighborhoods Grant Project for Restoration and Enhancement program.

The adjacent Columbia Gorge Premium Outlets property, owned by the Simon Property Group, is located within the Troutdale Urban Renewal Plan Area, is an important component in any redevelopment vision. In an effort to establish a collaborate approach on the redevelopment vision an economic development trip to meet with the Simon Property Group in their offices in New Jersey is planned.

In 2010 the Council revised the Troutdale Municipal Code (TMC) to closely regulate permitted council expenses by specifically identifying the conferences, events and travel expenditures which are allowed for elected officials to be reimbursed by the City. The TMC also allows for other conferences, events and travel expenditures not specifically listed if the expenses are approved by the Council in advance.

2.08.240 - Council expenses.

The following expenses shall be reimbursed for the mayor and councilors: 1) registration, lodging, meals, parking and mileage for attending the League of Oregon Cities Annual Conference; 2) the mayor shall be reimbursed for registration, lodging, meals, parking and mileage for attending the Oregon Mayor's Association (OMA) Annual Conference; 3) No other expenses shall be reimbursed unless pre-approved by the city council. The mayor and council shall follow the procedures for reimbursement of incurred expenses applicable to city employees. Expenses will only be reimbursed upon the approval of the finance director.

In compliance with TMC 2.08.240, the resolution approves in advance the travel related expenses for the Mayor to conduct an economic development trip to meet with the Simon Property Group in their offices in New Jersey with the goal of furthering the redevelopment of the property in the Troutdale Riverfront Renewal Plan Area.

SUMMARY:

The resolution provides the required in advance authorization of travel expenses for the Mayor to meet with Simon Property Group on the redevelopment vision the Troutdale Riverfront Renewal Plan Area.

PROS & CONS:

- A. Approve the proposed resolution to provide the necessary authorization for travel expense reimbursement to the Mayor for the economic development trip to meet with the Simon Property Group.
- B. Not approve the proposed resolution and not allow the Mayor to receive reimbursement for the economic development trip to meet with the Simon Property Group.

<p>Current Year Budget Impacts <input checked="" type="checkbox"/> Yes (<i>describe</i>) <input type="checkbox"/> N/A Estimated expenses \$1,500 for documented usual and ordinary travel expenses.</p> <p>Future Fiscal Impacts: <input type="checkbox"/> Yes (<i>describe</i>) <input checked="" type="checkbox"/> N/A</p> <p>Community Involvement Process: <input type="checkbox"/> Yes (<i>describe</i>) <input checked="" type="checkbox"/> N/A</p>

RESOLUTION NO.

A RESOLUTION PROVIDING ADVANCE AUTHORIZATION OF ECONOMIC DEVELOPMENT TRAVEL EXPENSES OF THE MAYOR.

THE TROUTDALE CITY COUNCIL FINDS AS FOLLOWS:

1. The City desires redevelopment of its former sewer treatment plant site and the adjacent, privately owned Eastwinds Development LLC property, part of a larger project, collectively referred to as the Troutdale Riverfront Renewal Plan Area.
2. The Columbia Gorge Premium Outlets property is located within the Troutdale Urban Renewal Plan Area and an important component in any redevelopment vision.
3. Eastwinds project is a multifaceted development vision that aligns many of the City's commercial and job creation goals for the site, with a mix of hospitality with event and conference facilities, leading edge hotel, restaurant, mixed-use development, and high-quality retail opportunities.
4. Over the past several years the City and Eastwinds Development LLC have operated in an effective public/private partnership manner to successfully implement programs and grant projects for brownfield rehabilitation and to develop plans for access and enjoyment to portions of the Sandy Riverfront while protecting the riparian habitat.
5. The City and Eastwinds Development LLC plan to continue their effective public/private partnership activity to redevelop the site by seeking to work collectively with Simon Property Group owners of the Columbia Gorge Premium Outlets property on their redevelopment vision.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TROUTDALE:

Section 1. Approves the Mayor's proposed economic development trip for meetings with the Simon Property Group, owners of the Columbia Gorge Premium Outlets property located within the Troutdale Urban Renewal Plan Area.

Section 2. Approves the estimated budget of \$1,500 for usual and customary travel related expenditures in accordance with TMC 2.08.240.

Section 3. The Finance Director is authorized to disburse funds for usual and customary travel expenses of the Mayor, subject to annual appropriations and in compliance with the reimbursement documentation required of TMC 2.08.240, and is further directed to implement all such actions necessary to ensure budgetary compliance.

Section 4. This Resolution shall be effective upon adoption.

YEAS:
NAYS:
ABSTAINED:

Doug Daoust, Mayor

Date

Debbie Stickney, City Recorder
Adopted:



CITY OF TROUTDALE



STAFF REPORT

SUBJECT / ISSUE: An Ordinance Relating To The Troutdale Riverfront Renewal Plan And Establishing A Procedure For Transfer Of The Former Sewer Treatment Plant Property.

MEETING TYPE:
City Council Regular Mtg.

MEETING DATE: September 23, 2014

STAFF MEMBER: Erich Mueller
DEPARTMENT: Finance

ACTION REQUIRED
Ordinance - Adoption

ADVISORY COMMITTEE/COMMISSION RECOMMENDATION:
Not Applicable

PUBLIC HEARING
Yes

Comments:

STAFF RECOMMENDATION: Adopt Ordinance as proposed.
(No changes in the Staff Report since Introduction September 9, 2014)

EXHIBITS: A: Draft Special Warranty Deed with right of re-entry.

Subject / Issue Relates To:

- Council Goals Legislative Other (describe)

GOAL 1: ENCOURAGE ECONOMIC DEVELOPMENT

A. OBJECTIVE: DEMONSTRATE CLEAR PROGRESS ON TROUTDALE RIVERFRONT DEVELOPMENT

Measure 1: Cooperate with prospective developers who pursue desirable development plans consistent with feasible public financial constraints

Issue / Council Decision & Discussion Points:

- ◆ The City desires to achieve redevelopment in the urban renewal area through the adopted Troutdale Riverfront Renewal Plan (Plan)

Reviewed and Approved by ^{Acting} City Manager:

- ◆ The City's former Sewer Treatment Plant site is located in the Plan area and redevelopment of the property is an important part of the Plan
- ◆ Transfer of the property from City ownership to the Troutdale Urban Renewal Agency is consistent with the goals of the Plan, and necessary to facilitate private sector redevelopment of the site

BACKGROUND:

Through significant public involvement in order to protect the public health, safety, and welfare of the public, in 2006 the City created Troutdale Riverfront Renewal Plan to eliminate blight and foster development and redevelopment in the plan area.

The City also established the Troutdale Urban Renewal Agency (Agency) providing tax increment funding and urban renewal authority to eliminate blight and foster development and redevelopment. The City assigned the Troutdale Riverfront Renewal Plan to the Agency to implement and manage.

The Plan has envisioned assembling City property with adjacent private property owner, Eastwinds Development LLC, for redevelopment. Since 2006 economic conditions and environmental remediation challenges have delayed visible progress on the site.

Over the past several years the City and Eastwinds Development LLC have operated in an effective public/private partnership manner to successfully implement programs and grant projects for brownfield rehabilitation from Business Oregon, the State Department of Environmental Quality, and the Federal Environmental Protection Agency. And joined with the Sandy River Basin Watershed Council, through the Metro Nature in Neighborhoods Grant Project for Restoration and Enhancement program, to develop the "Sandy River Access Plan."

In May 2014 the City entered into an Exclusive Negotiating Agreement (ENA) with Eastwinds which resulted in the valuation formula and select deal terms for the sale of the City's former Sewer Treatment Plant (STP) property, which the Council approved in August 2014.

Current Status & Next Steps:

With the approval of the valuation formula and deal terms the City made the "decision" to intend to sell the City STP property to Eastwinds, yet there are many steps before an actual sale could be approved and executed. Just as in buying house there are many steps between the "offer" and receiving the keys, (appraisal, title, home inspection, mortgage underwriting, etc...) there are many steps still needed before approval of the actual sale.

We are in the middle of a long overall process which had its origins in the 2006 Agency and Plan creation, through the past environmental assessments, to current property preparation, and future redevelopment activities.

There are many other additional activities, such as currently both the City and Eastwinds each have appraisers working on the site, while also beginning the negotiations over the PSA, and obtaining a No Further Action (NFA) letter from the Oregon Department of Environmental Quality (DEQ), and proceeding with the sheep pit clean-up process. While these many actions are occurring in parallel, some sequential steps need to occur. One of the next steps is to transfer the STP property from the City to the Agency.

The Eastwinds' development vision aligns many of the City's commercial and job creation goals for the site, with a mix of hospitality with event and conference facilities, leading edge hotel, restaurant, mixed-use development, and high-quality retail opportunities. The project vision also includes many important public recreational benefits including connections and expansion of the 40-Mile Loop Regional Bicycle Trail and the western terminus of the Columbia River Gorge trail, and for community access and enjoyment of the Sandy Riverfront portions of the property while protecting the riparian habitat.

To reach the potential of the Eastwinds' development vision, it will require active participation and support of the City and in particular the Agency through the use of its flexible redevelopment authority and tax increment financing.

State statutes provide urban renewal agencies with flexibility which is not available to cities, in creating redevelopment incentives for the economically challenging sites, the type of sites typically located in urban renewal plan areas. Disposition of property under ORS 457.230 provides both the necessary flexibility of Fair Reuse Value of the STP site property and provides assurances that the property shall be redeveloped in a manner consistent with the goals and requirements of the Plan. Therefore, to make use of the benefits of ORS 457.230, the City must transfer ownership of the STP site real estate to the Agency.

Open Public Process:

The public will have several opportunities to comment on the upcoming property sale and receive reassurance that the property will ultimately be redeveloped in accordance with the Plan.

To transfer the property from the City to the Agency, there is an open and transparent process which will include two public hearings prior to approving the transfer, by ordinance, which includes the 30 day referendum period before becoming effective. Only after the ordinance effective date would the ownership be transferred from the City to the Agency. Further the deed provisions will

ensure that the property is redeveloped in accordance with the Plan or the property ownership will revert to the City.

While the above transfer procedure is occurring the appraisals will be finalized and negotiation of the definitive Purchase and Sale Agreement (PSA) with Eastwinds will be completed, which by that point in time the property would be owned by the Agency.

Upon completion of the PSA negotiation, the **second** open and transparent process with two more public hearings prior to approving the PSA, again by ordinance, which includes the 30 day referendum period before becoming effective. Only after the ordinance effective date could the ownership be transferred from the Agency to Eastwinds. And again the deed provisions will require redevelopment in accordance with the Plan and ORS 457.230, or the property ownership will revert to the City.

SUMMARY:

The ordinance introduction tonight is the next step in the process to move ownership of the former STP site property from the CITY to the AGENCY.

PROS & CONS:

- A.** Approve the proposed ordinance to continue the deliberate, open and transparent process in preparing the City real estate for disposition and ultimate redevelopment as part of the Troutdale Riverfront Renewal Plan.
- B.** Not approve the proposed ordinance and delay the ultimate redevelopment of City property in the Troutdale Riverfront Renewal Plan area.

AFTER RECORDING RETURN TO:

City Recorder
Urban Renewal Agency of the City of Troutdale
219 E Historic Columbia River Hwy
Troutdale OR 97060-2078

UNTIL A CHANGE IS REQUESTED
SEND TAX STATEMENTS TO:

City Recorder
Urban Renewal Agency of the City of Troutdale
219 E Historic Columbia River Hwy
Troutdale OR 97060-2078

DRAFT

This space is reserved for recorder's use.

SPECIAL WARRANTY DEED

With right of Re-entry

The CITY OF TROUTDALE, an Oregon municipal corporation, whose address is 219 E Historic Columbia River Hwy, Troutdale Oregon 97060-2078 ("Grantor"), conveys and specially warrants to the URBAN RENEWAL AGENCY OF THE CITY OF TROUTDALE, an Oregon quasi-municipal corporation, whose address is 219 E Historic Columbia River Hwy, Troutdale Oregon 97060-2078 ("Grantee"), the following described real property, provided that no later than the expiration of the adopted Troutdale Riverfront Renewal Plan, as it may be amended, the property conveyed hereby is re-conveyed to a private developer under an agreement requiring the property to be developed in conformance with the adopted Troutdale Riverfront Renewal Plan and the requirements of ORS 457.230, or the Grantor shall have the right to enter, take possession of, and re-acquire title to the property.

The property is described on Exhibit A attached hereto and incorporated herein by reference and is conveyed free of encumbrances created or suffered by Grantor except as specifically set forth on Exhibit B, also attached hereto and incorporated by reference. In addition, Grantor re-reserves and reinstates those easements set forth on Exhibit C, attached hereto and incorporated by reference. The true consideration for this conveyance is ten dollars (\$10.00) plus other value given and received, which is the whole thereof.

Grantor hereby covenants to and with Grantee and Grantee's successors and assigns that Grantor is lawfully seized in fee simple of the property described in Exhibit A, free from all encumbrances except those of record, and those set forth on Exhibit B, and that Grantor will warrant and forever defend the property and every parcel thereof against the lawful claims and demands of all persons whomsoever, except those claiming under the encumbrances described in Exhibit B below.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9

AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

DATED this _____ day of _____, 2014.

GRANTOR:

CITY OF TROUTDALE, an Oregon municipal corporation

By: _____
Craig R. Ward, City Manager

STATE OF OREGON)
) ss.
County of Multnomah)

This instrument was acknowledged before me on this _____ day of _____, 2014, by Craig R. Ward as City Manager of the City of Troutdale, an Oregon municipal corporation.

NOTARY PUBLIC FOR OREGON
My Commission Expires: _____

ACCEPTANCE OF DEED

The URBAN RENEWAL AGENCY OF THE CITY OF TROUTDALE, acting by and through its Board of Directors, through adoption of Resolution No. _____ on _____, 2014, hereby receives and accepts the foregoing Special Warranty Deed pursuant to ORS 93.808.

DATED this _____ day of _____, 2014.

URBAN RENEWAL AGENCY OF THE CITY OF TROUTDALE, an Oregon quasi-municipal corporation

By: _____
Craig R. Ward, City Manager, City of Troutdale

STATE OF OREGON)
) ss.
County of Multnomah)

This instrument was acknowledged before me on this _____ day of _____, 2014, by Craig R. Ward as City Manager on behalf of the Urban Renewal Agency of the City of Troutdale.

NOTARY PUBLIC FOR OREGON
My Commission Expires: _____

EXHIBIT A

(Legal Description)

PARCEL I:

A part of the David F. Buxton Donation Land claim in Section 25, Township 1 North, Range 3 East of the Willamette Meridian, in the City of Troutdale, County of Multnomah and State of Oregon, described as follows:

Commencing at a stone in the North line of the David F. Buxton Donation Land Claim, said stone being North 89°57' East 748 feet distant from the section corner common to Sections 23, 24, 25, and 26, said Township and Range; thence South 0°23' West 1346 feet to an iron pipe; thence East 675.33 feet to an iron pipe and the true point of beginning of the land herein to be described; thence South 0°23' West 345.34 feet to an iron pipe; thence East 586.45 feet to an iron pipe; thence North 27°18' West 244.11 feet to an iron pipe; thence North 9°24' West 130.17 feet to an iron pipe; thence West 450.92 feet to the true point of beginning.

PARCEL II:

A tract of land situated in Section 25, Township 1 North Range 3 East of the Willamette Meridian, in the City of Troutdale, County of Multnomah and State of Oregon, more particularly described as follows:

Commencing at the corner of Sections 23, 24, 25, and 26, said Township and Range, on the North line of the D.F. Buxton Donation Land Claim; thence North 89°57' East, on the North line of said D.F. Buxton Donation Land Claim, 748 feet to a stone; thence South 0°23' West 1343.82 feet, more or less, to a 2" x 36" pipe; thence South 61°11' East 398.04 feet, to a 1-1/4" x 34" pipe; thence South 49°01' East 96.72 feet to a 1-1/4 x 32" pipe; thence South 57°27 1/2' East 49.45 feet to a 1" x 38" pipe; thence South 66°46'30" East 216.40 feet to a 1" x 26" pipe; thence South 74°31'25" East 10.94 feet to a point for the point of beginning of the tract herein described; running thence South 0°23' West 623.96 feet to a point in the North line of the O. W. R. & N. Co.'s right of way; thence South 88°44' East on said right of way line; 117.71 feet to a point of curve; thence on a curve to the left of 2740 foot radius, 186.78 feet to a 1" x 37" iron rod; thence North 11°55' East 202.3 feet to a 1" x 36" pipe; thence North 86°04' East 225 feet to a 1" x 35" pipe; thence North 11°50' East 317.17 feet to a 3/4" x 26" pipe, at a point, said point being the most Southerly corner of that certain tract of land conveyed to H.C. McGinnis, by deed recorded April 22, 1943 in Book 744 Page 188, Deed Records; thence North 14°19' East 24.34 feet; thence North 27°18' West 110.89 feet, more or less, to the Southeast corner of that certain tract of land conveyed to Lloyd Stanley Holman and wife, by deed recorded August 9, 1957 in Book 1856 Page 394, Deed Records; thence West 586.45 feet, along the Southerly line of said Holman tract to the Southwest corner thereof; thence South 0°23' West 24.82 feet, more or less, to the true point of beginning.

EXCEPT THEREFROM a parcel of land located within Section 25, Township 1 North, Range 3 East of the Willamette Meridian, in the City of Troutdale, County of Multnomah and State of Oregon, and more particularly described as follows:

Commencing at the common section corner to Sections 23, 24, 25, and 26, Township 1 North, Range 3 East of the Willamette Meridian, said corner being marked by a brass cap; Thence North $89^{\circ}56'35''$ East along the North line of the David F. Buxton Donation and Claim a distance of 748.00 feet to a stone; Thence South $10^{\circ}14'13''$ East a distance of 1,524.26 feet to a one and one-half inch diameter iron pipe located at the Northeast corner of a tract of land conveyed to Z.T. Truelove by deed dated May 26, 1920 and recorded June 10, 1920 in Book 815 at Page 232 of the Multnomah County Deed Records; Thence South $68^{\circ}07'12''$ East a distance of 775.98 feet to a five-eighths inch diameter by thirty inch long iron rod set at the true point of beginning of this description; Thence North $89^{\circ}58'22''$ East a distance of 245.00 feet to a five-eighths inch diameter by thirty inch long iron rod, said iron rod being located North $67^{\circ}01'53''$ West a distance of 63.88 feet from a three-fourths inch diameter iron pipe at the Southeast most corner of that tract of land conveyed to H.C. McGinnis as described in that deed recorded April 22, 1943 in Book 744 at Page 18 of the Multnomah County Deed Records; Thence South $00^{\circ}01'38''$ East a distance of 171.90 feet to a five-eighths inch diameter by thirty inch long iron rod; Thence South $86^{\circ}13'49''$ West a distance of 245.52 feet to a five-eighths inch diameter by thirty inch long iron rod; Thence North $00^{\circ}01'38''$ West a distance of 187.92 feet to the true point of beginning of this description.

ALSO EXCEPT THEREFROM a parcel of land located within Section 25, Township 1 North, Range 3 East of the Willamette Meridian, in the City of Troutdale, County of Multnomah and State of Oregon, and more particularly described as follows:

Commencing at the common Sections Corner to Sections 23, 24, 25 and 26, Township 1 North, Range 3 East of the Willamette Meridian, said corner being marked by a brass cap; thence North $89^{\circ}56'35''$ East along the North line of the David F. Buxton Donation Land Claim a distance of 748.00 feet to a stone; thence South $10^{\circ}14'13''$ East a distance of 1524.26 feet to a 1-1/2 12 inch diameter iron pipe located at the Northeast corner of that tract of land conveyed to Z.T. Truelove by deed dated May 26, 1920, and recorded June 10, 1920, in Book 815, Page 232 of the Multnomah County Deed Records; thence South $56^{\circ}28'34''$ East a distance of 863.87 feet to a 5/8 inch diameter by a 30 inch long iron rod and the true point of beginning of this description; thence North $86^{\circ}13'49''$ East a distance of 245.52 feet to a 5/8 inch diameter by 30 inch long iron rod; thence continuing North $86^{\circ}13'49''$ East a distance of 4.80 feet; thence South $00^{\circ}01'38''$ East a distance of 20.04 feet; thence North $86^{\circ}13'49''$ East a distance of 20.29 feet to a point on the most Easterly line of that tract of land described as Parcel III in that Executor's Deed to the Town of Troutdale recorded August 3, 1970 in Book 745, Page 580 of the Multnomah County Deed Records; thence South $11^{\circ}51'20''$ West along the most Easterly line of the said Town of Troutdale parcel a distance of 151.52 to a 5/8 inch diameter by 30 inch long iron rod set an angle point in said Town of Troutdale parcel; thence South $86^{\circ}11'58''$ West along the Southerly line of the said Town of Troutdale parcel a distance of 224.95 feet to a 5/8 inch diameter by 30 inch long iron rod set at an angle point in the Town of Troutdale parcel; thence South $11^{\circ}56'24''$ West along the Westerly East line of the said Town of Troutdale parcel a distance of 15.13 feet; thence North $03^{\circ}35'32''$ West a distance of 180.60 feet to the true point of beginning of this description.

PARCEL III:

A tract of land situated in Section 25, Township 1 North, Range 3 East of Willamette Meridian, in the City of Troutdale, County of Multnomah and State of Oregon, more particularly described as follows:

Commencing at the Northwest corner of Section 25, said Township and Range; thence North $89^{\circ}57'$ East, along the North line of the D.F. Buxton Donation Land Claim, 748 feet to a stone; thence South $0^{\circ}23'$ West 1343.82 feet, more or less, to a 2" x 36" pipe; thence South $61^{\circ}11'$ East 398.04 feet to a 1-1/4" x 34" pipe; thence South $49^{\circ}01'$ East 96.72 feet to a 1-1/4" x 32" pipe; thence South $57^{\circ}27'-1/2'$ East 49.45 feet to a 1" x 38" pipe; thence South $66^{\circ}46'30''$ East 216.40 feet to a 1" x 26" pipe; thence South $74^{\circ}31'25''$ East 10.94 feet; thence South $0^{\circ}23'$ West 623.96 feet to a point on the North line of the O. W. R. & N. Co.'s right of way; thence South $88^{\circ}44'$ East along said right of way 117.71 feet to an angle corner on said right of way; thence North to a point of curve; thence on a curve to the left of 2740 foot radius 186.78 feet to a 1" x 37" iron rod on said right of way and being the true point of beginning of the tract of land herein described; thence on the said curve to the left of 2740 foot radius 50.0 feet; thence North $8^{\circ}33'31''$ West 138.0 feet; thence South $11^{\circ}55'$ West 142.3 feet to the true point of beginning.

PARCEL IV:

A parcel of land located within Section 25, Township 1 North, Range 3 East of the Willamette Meridian, in the City of Troutdale, County of Multnomah and State of Oregon, described as follows:

Commencing at the common Section corner to Sections 23, 24, 25 and 26, Township 1 North, Range 3 East of the Willamette Meridian, said corner being marked by a brass cap; thence North $89^{\circ}56'35''$ East along the North line of the David F. Buxton Donation Land Claim a distance of 748.00 feet to a stone; thence South $10^{\circ}14'13''$ East a distance of 1524.26 feet to a 1-1/2 inch diameter iron pipe located at the Northeast corner of the tract of land conveyed to Z.T. Truelove by deed dated May 26, 1920, recorded June 10, 1920 in Book 815 Page 232 of the Multnomah County Deed Records; thence North $68^{\circ}42'42''$ East a distance of 424.58 feet to a 5/8 inch diameter x 30 inch long iron rod set at the Southwest corner of that tract of land conveyed to Cecil E. Duncan and Donald L. Bennett by that Warranty Deed recorded January 26, 1983 in Book 1642 Page 514 of the Multnomah County Deed Records, said corner also being the Northwest corner of that tract of land conveyed to H.C. McGinnis by that Bargain and Sale Deed recorded April 22, 1943 in Book 744 Page 188 of the Multnomah County Deed Records and the true point of beginning of this description; thence North $00^{\circ}24'36''$ East along the West line of the said Duncan and Bennett Tract a distance of 25.00 feet to the Northwest corner thereof; thence North $89^{\circ}59'35''$ East along the North line thereof, a distance of 447.01 feet to the Northeast corner thereof; thence South $09^{\circ}15'37''$ East along the East line thereof a distance of 25.33 feet to the Southeast corner thereof, said corner also being the Northeast corner of the said H.C. McGinnis Tract, said corner being marked by a 3/4 inch diameter iron pipe; thence South $89^{\circ}59'35''$ West along the South line of the said Duncan and Bennett Tract and the North line of the said H.C. McGinnis Tract a distance of 451.27 feet to the true point of beginning of this description.

PARCEL V:

A parcel of land located within Section 25, Township 1 North, Range 3 East of the Willamette Meridian, in the City of Troutdale, County of Multnomah and State of Oregon, described as follows:

Commencing at the common Section corner to Sections 23, 24, 25 and 26, Township 1 North, Range 3 East of the Willamette Meridian, said corner being marked by a brass cap; thence North 89°56'35" East along the North line of the David F. Buxton Donation Land Claim a distance of 748.00 feet to a stone; thence South 10°14'13" East a distance of 1524.26 feet to 1-1/2 inch diameter iron pipe located at the Northeast corner of the tract of land conveyed to Z.T. Truelove by deed dated May 26, 1920, recorded June 10, 1920 in Book 815 Page 232 of the Multnomah County Deed Records; thence North 68°42'42" East a distance of 424.58 feet to a 5/8 inch diameter x 30 inch long iron rod set at the Southwest corner of that tract of land conveyed to Cecil E. Duncan and Donald L. Bennett by that Warranty Deed recorded January 26, 1983 in Book 1642 Page 514 of the Multnomah County Deed Records, said corner also being the Northwest corner of that tract of land conveyed to H.C. McGinnis by that Bargain and Sale Deed recorded April 22, 1943 in Book 744 Page 188 of the Multnomah County Deed Records; thence North 89°59'35" East along the South line of the said Duncan and Bennett Tract and the North line of the said H.C. McGinnis Tract a distance of 451.27 feet to a 3/4 inch iron pipe at the Northeast corner of the said McGinnis Tract and the true point of beginning of this description, said point further being the Southwest corner of that tract of land conveyed to the State of Oregon by Quitclaim Deed recorded August 23, 1946 in Book 1091 Page 447 of the Multnomah County Deed Records; thence North 89°59'35" East along the South line of the said State of Oregon Tract a distance of 37.30 feet to a point that is at the West Water's Edge of the Sandy River as located November 29, 1983; thence along the following courses and distances following said West Water's Edge: South 7°24'19" East for a distance of 15.94 feet; South 16°38'22" East for a distance of 38.02 feet; South 33°09'01" East for a distance of 21.88 feet; South 40°50'27" East for a distance of 32.53 feet; South 35°02'59" East for a distance of 36.26 feet; South 46°26'13" East for a distance of 12.82 feet; South 35°03'31" East for a distance of 35.89 feet; South 36°18'27" East for a distance of 38.76 feet; South 21°30'34" East for a distance of 46.76 feet; South 38°52'07" East for a distance of 24.08 feet; South 37°01'47" East for a distance of 29.76 feet; South 39°40'57" East for a distance of 32.50 feet; South 29°10'17" East for a distance of 39.99 feet; South 38°59'56" East for a distance of 41.94 feet; South 31°16'45" East for a distance of 29.20 feet; South 43°32'12" East for a distance of 20.95 feet; South 51°03'34" East for a distance of 28.46 feet; South 61°23'15" East for a distance of 26.78 feet; South 57°13'08" East for a distance of 1.81 feet; thence leaving said West Water's Edge South 89°59'35" West a distance of 167.68 feet to a 5/8 inch diameter x 30 inch long iron rod, said point being the most Easterly angle point in said H.C. McGinnis Tract; thence North 27°08'50" West along the Easterly line of said McGinnis Tract a distance of 355.10 feet to a 5/8 inch diameter x 30 inch long iron rod set at an angle point in the East line of the said McGinnis Tract; thence North 09°15'37" West along the East line of the said McGinnis Tract a distance of 130.30 feet to the true point of beginning of this description.

EXCEPTING THEREFROM all of the above described lands lying between the said West Water's Edge of the Sandy River and Westerly therefrom to the low water mark on the West bank of the said Sandy River.

TOGETHER with all of the lands between the said West Water's Edge of the Sandy River and Easterly to the low water mark on the West bank of the said Sandy River.

PARCEL VI:

A parcel of land located within Section 25, Township 1 North, Range 3 East of the Willamette Meridian, in the City of Troutdale, County of Multnomah and State of Oregon, described as follows:

Commencing at the common Section corner to Sections 23, 24, 25 and 26, Township 1 North, Range 3 East of the Willamette Meridian, said corner being marked by a brass cap; thence North $89^{\circ}56'35''$ East along the North line of the David F. Buxton Donation Land Claim a distance of 748.00 feet to a Stone; thence South $10^{\circ}14'13''$ East a distance of 1524.26 feet to a 1-1/2 inch diameter iron pipe located at the Northeast corner of the tract of land conveyed to Z.T. Truelove by deed dated May 26, 1920, recorded June 10, 1920 in Book 815 Page 232 of the Multnomah County Deed Records; thence North $68^{\circ}42'42''$ East a distance of 424.58 feet to a 5/8 inch diameter x 30 inch long iron rod located at the Northwest corner of that tract of land conveyed to H.C. McGinnis by that Bargain and Sale Deed recorded April 22, 1943 in Book 744 Page 188 of the Multnomah County Deed Recorder [sic]; thence North $89^{\circ}59'35''$ East along the North line of the said McGinnis Tract a distance of 451.27 feet to the Northeast corner thereof, said corner being marked by a 3/4 inch diameter iron pipe; thence South $9^{\circ}15'37''$ East along the East line of said McGinnis Tract, a distance of 130.30 feet to a 5/8 inch diameter x 30 inch iron rod set at an angle corner therein;

Thence South $27^{\circ}08'50''$ East continuing along the East line of the said McGinnis Tract a distance of 355.10 feet to a 5/8 inch diameter x 30 inch iron rod set at the most Easterly corner of the said McGinnis Tract and the true point of beginning of this description; thence South $00^{\circ}01'38''$ East a distance of 185.92 feet; thence South $85^{\circ}36'40''$ West a distance of 39.87 feet to a point on the most Easterly line of that tract of land described within Parcel 3 of that Executor Deed to the Town of Troutdale recorded August 3, 1970 in Book 745, Page 580 of the Multnomah County Deed Records; thence North $11^{\circ}51'20''$ East along the Easterly line of the said Town of Troutdale Parcel 3 and its Northerly extension a distance of 193.09 feet to the true point of beginning of this description.

PARCEL VII:

A parcel of land located within Section 25, Township 1 North, Range 3 East of the Willamette Meridian, in the City of Troutdale, County of Multnomah and State of Oregon, described as follows:

Commencing at the common section corner to Sections 23, 24, 25 and 26, Township 1 North, Range 3 East of the Willamette Meridian, said corner being marked by a brass cap; thence North $89^{\circ}56'36''$ East along the North line of the David F. Buxton Donation Land Claim a distance of 748.00 feet to a stone; thence South $10^{\circ}14'13''$ East a distance of 1524.26 feet to a 1-1/2 inch diameter iron pipe located at the Northeast corner of the tract of land conveyed to Z.T. Truelove by deed dated May 26, 1920, recorded June 10, 1920 in Book 815, Page 232 of the Multnomah County Deed Records; thence South $56^{\circ}28'34''$ East a distance of 863.87 feet

to a 5/8 inch diameter x 30 inch long Iron rod; thence South 03°35'32" East a distance of 180.60 feet to a point on the Westerly East line of Parcel 3 as described in that Executor's Deed within which lands were conveyed to the Town of Troutdale as recorded August 3, 1970 in Book 745, Page 580 of the Multnomah County Deed Records, and the true point of beginning of this description; thence South 03°35'32" East a distance of 180.26 feet to a 5/8 inch diameter x 30 inch long iron rod located at the Southeast corner of that tract of land conveyed to the City of Troutdale by deed recorded March 27, 1969 in Book 669, Page 824 of the Multnomah County Deed Records; thence North 08°32'01" West along the East line of the said City of Troutdale Parcel a distance of 138.00 feet to a 5/8 inch diameter x 30 inch long iron rod set at the most Northerly corner of the said City of Troutdale Tract, said corner being on the Westerly East line of the said Town of Troutdale Tract; thence North 11°56'24" East along the Westerly East line of the said Town of Troutdale Tract a distance of 44.39 feet to the true point of beginning of this description.

PARCEL VIII:

A parcel of land located within Section 25, Township 1 North, Range 3 East of the Willamette Meridian, in the City of Troutdale, County of Multnomah and State of Oregon, and more particularly described as follows:

Commencing at the common section corner to Sections 23, 24, 25, and 26, Township 1 North, Range 3 East of the Willamette Meridian, said corner being marked by a brass cap; Thence North 89°56'35" East along the North line of the David F. Buxton Donation and [sic] Claim a distance of 748.00 feet to a stone; Thence South 10°14'13" East a distance of 1,524.26 feet to a one and one-half inch diameter iron pipe located at the Northeast corner of a tract of land conveyed to Z.T. Truelove by deed dated May 26, 1920 and recorded June 10, 1920 in Book 815 at Page 232 of the Multnomah County Deed Records; Thence South 68°07'12" East a distance of 775.98 feet to a five-eighths inch diameter by thirty inch long iron rod set at the true point of beginning of this description; Thence North 89°58'22" East a distance of 245.00 feet to a five-eighths inch diameter by thirty inch long iron rod, said iron rod being located North 67°01'53" West a distance of 63.88 feet from a three-fourths inch diameter iron pipe at the Southeast most corner of that tract of land conveyed to H.C. McGinnis as described in that deed recorded April 22, 1943 in Book 744 at Page 18 of the Multnomah County Deed Records; Thence South 00°01'38" East a distance of 171.90 feet to a five-eighths inch diameter by thirty inch long iron rod; Thence South 86°13'49" West a distance of 245.52 feet to a five-eighths inch diameter by thirty inch long iron rod; Thence North 00°01'38" West a distance of 187.92 feet to the true point of beginning of this description.

EXHIBIT B

(Exceptions)

Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: Portland General Electric Company

Purpose: Electric power lines and appurtenant signal or communication lines, and existing power line and storm drains

Recording Date: May 31, 1985

Recording No: Book 1827, Page 400, Recorder's No. 85-036711

Affects: Various location - See document and map attached thereto for specifics

Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: Portland General Electric Company

Purpose: Underground distribution line

Recording Date: July 2, 1993

Recording No: Book 2717, Page 2971 Recorder's No. 93-087000

Affects Parcel II and III)

Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: Portland General Electric Company

Purpose: Electric power line

Recording Date: July 2, 1993

Recording No: Book 2717, Page 2974, Recorder's No. 93-087001

Affects Parcel III and VII)

Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: State of Oregon, by and through its Department of Transportation

Purpose: Temporary construction

Recording Date: June 14, 2010

Recording No: 2010-073757

Affects: Exact location not set forth

Extended by instrument, including the terms and provisions thereof,

Recording Date: June 4, 2013

Recording No.: 2013-075778

EXHIBIT C

(Reservation of Easements)

Reservations and conditions, including the terms and provisions thereof, contained in Deed
Grantor: Bissinger and Company, a California corporation Grantee: City of Troutdale, a
municipal corporation

Recording Date: March 27, 1969
Recording No.: Book 669, Page 824
(Affects Parcel III)

Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a
document:

Granted to: City of Troutdale, a municipal corporation
Purpose: Utility lines
Recording Date: September 21, 1971
Recording No: Book 814, Page 160
Also Recorded: April 27, 1972 in Book 853 Page 798
Affects: (The West 20 feet of Parcel IV)

Reservation and Easement(s) for the purpose(s) shown below and rights incidental thereto, as
granted in a document:

Granted to: City of Troutdale
Purpose: Utilities
Recording Date: January 29, 1990
Recording No: Book 2272, Page 461, Recording No. 90-008201
(Affects Parcel II and additional property)

An easement reserved to the City of Troutdale, for the purposes of utilities, to be recorded for
reservation prior to or at the time of execution of the final deed, reflecting current utilities and
currently-planned utilities.

ORDINANCE NO.

AN ORDINANCE RELATING TO THE TROUTDALE RIVERFRONT RENEWAL PLAN AND ESTABLISHING A PROCEDURE FOR TRANSFER OF THE FORMER SEWER TREATMENT PLANT PROPERTY.

THE TROUTDALE CITY COUNCIL FINDS AS FOLLOWS:

1. The Urban Renewal Agency of the City of Troutdale ("Agency"), the duly formed body to implement urban renewal in Troutdale, was formed by the adoption of Ordinance No. 771 on January 27, 2006.
2. The Troutdale Riverfront Renewal Plan ("Plan") was adopted on February 14, 2006, by Ordinance No. 773 to provide tax increment funding and urban renewal authority to eliminate blight and foster development and redevelopment within the Troutdale Riverfront Renewal Area in order to protect the public health, safety, and welfare.
3. On May 16, 2006, Troutdale voters approved the Plan, allowing use of urban renewal and tax increment financing to achieve redevelopment of properties, including the former sewer treatment plant ("STP"), among other goals. The former STP property is owned by the City of Troutdale ("City").
4. Use of urban renewal finance measures intended to facilitate eventual construction of a riverfront park, public plaza, public parking facility, and pedestrian facilities, on portions of the former STP site, and/or on other related real properties within the Plan area.
5. Other stated goals of the Plan for the urban renewal area, include promoting redevelopment with a mix of uses, which is intended to diversify and improve Troutdale's economic and employment base.
6. The City is negotiating with Eastwinds Development, LLC ("Eastwinds"), to redevelop property within the urban renewal area, including the former STP site, and these negotiations are premised on transfer of the former STP site to Eastwinds.
7. Because the Eastwinds' plans to redevelop within the urban renewal area include the former STP property, the City finds that it is appropriate to identify the former STP property as a city-owned property that serves the public interest better, if designated for transfer to the Agency for urban renewal purposes.

8. Over the past several years the City and Eastwinds Development LLC have operated in an effective public/private partnership manner to successfully implement programs and grant projects for brownfield rehabilitation from Business Oregon, the State Department of Environmental Quality, and the Federal Environmental Protection Agency. The Agency has been fully informed of all the environmental condition information and reports which have been developed regarding the property.

9. The City wishes to establish a process under which it will transfer the former STP property to the Agency.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF TROUTDALE

Section 1. The City identifies the following two properties ("Properties") that are no longer needed by the City and the conveyance of which pursuant to ORS 271.310 would serve the public interest:

(a) Tax Lot 400, Section 25BD, Township 1 North, Range 3 East Willamette Meridian, Multnomah County, Oregon, Parcel ID: R320520, and

(b) Tax Lot 500, Section 25BD, Township 1 North, Range 3 East Willamette Meridian, Multnomah County, Oregon, Parcel ID: R320650,

Section 2. The City establishes the following procedure for transfer of these properties and designates the City Manager or Finance Director (each a "City Official") or a designee of the City Official, to act on behalf of the City, and without further action by the City Council the City Official is hereby, authorized, empowered and directed to sign on behalf of the City the all documentation required for conveyance of the title of the Properties to the Agency.

Section 3. The City Official is, in the best interest of the City, hereby authorized to execute, acknowledge and deliver subsequent addendums, extensions, revisions, modifications, or successor documents or any other supporting and implementing documents, and to take any other action as may be advisable, convenient, necessary, or appropriate to give full force and effect to the terms and intent of this Ordinance, and the execution thereof by any such City Official shall be conclusive as to such determination.

Section 4. The City Council designates the Agency as its agent for conveyance of the title to the Properties to persons who will develop the property under the Plan and in compliance with ORS 457.230.

Section 5. If the City's authority to issue urban renewal bonds expires, including any extensions of such authority, before the Agency transfers title to one or more Properties, the City will have the right to have the Properties returned to the City.

Section 6. Prior to transfer of the Properties to the Agency, the City Official shall consult with the Public Works Director and determine the location and area of easements needed to accommodate sewer, water, stormwater, and other utilities. Such easements shall be reserved in the deed to the Agency.

Section 7. The Finance Director is authorized to disburse funds, subject to annual appropriations, as necessary to fulfill the Ordinance, and is further directed to implement all such actions necessary to ensure budgetary compliance.

Section 8. Conveyance shall only occur upon receipt by the City from the Oregon Department of Environmental Quality (DEQ) of a No Further Action (NFA) letter for the City Properties certifying that environmental cleanup has been completed to a level that is protective of human health and the environment, and is consistent with DEQ's regulations.

Section 9. This Ordinance shall be effective on the thirtieth day after its adoption.

YEAS:
NAYS:
ABSTAINED:

Doug Daoust, Mayor

Date _____

Debbie Stickney, City Recorder

Adopted:



CITY OF TROUTDALE



STAFF REPORT

SUBJECT / ISSUE: An Ordinance Adopting A New Chapter Of The Troutdale Municipal Code Chapter 3.35, "Marijuana Tax"

<p>MEETING TYPE: City Council Regular Mtg.</p>	<p>MEETING DATE: September 23, 2014 STAFF MEMBER: Shelby Rihala DEPARTMENT: Legal</p>
<p>ACTION REQUIRED Ordinance - Introduction PUBLIC HEARING Yes</p>	<p>ADVISORY COMMITTEE/COMMISSION RECOMMENDATION: Not Applicable <u>Comments:</u></p>

STAFF RECOMMENDATION: Ordinance Introduction and public hearing, no action at this meeting.

EXHIBITS: None

Subject / Issue Relates To:

- Council Goals
 Legislative
 Other:

Issue / Council Decision & Discussion Points:

- ◆ Troutdale is a home rule City and desires to preserve the authority of the City to govern the City to the greatest extent allowed by the constitutions, statutes and common law of the United States and Oregon
- ◆ That Ballot Measure 91, scheduled for the November 4, 2014 general election, would, if approved by the voters, legalize recreational marijuana in Oregon, and specifically prohibits cities and counties from imposing their own taxes on the marijuana, giving exclusive taxing authority to the state.
- ◆ Adoption of an ordinance in effect prior to the effect of Measure 91 is necessary to preserve the City's ability to tax marijuana

Reviewed and Approved by ^{Acting} City Manager:

BACKGROUND:

Oregon Ballot Measure 91 has qualified for the November, 2014 ballot regarding whether or not to enact a state law "legalizing the recreational use of marijuana, based on regulation and taxation to be determined by the Oregon Liquor Control Commission."

The Measure 91 Ballot Title summary from the Secretary of State: *"Allows possession, manufacture, sale of marijuana by/to adults, subject to state licensing, regulation, taxation"*

Summary: Currently, cultivation, possession, delivery, sale of marijuana are unlawful, excepting regulated production, possession, use of medical marijuana. Measure allows production, processing, delivery, possession, sale of marijuana to adults, licensed, regulated by Oregon Liquor Control Commission (OLCC). Marijuana producer, processor, wholesaler may deliver "marijuana items" (defined) only to/on licensed retail premises. OLCC collects tax imposed on marijuana producer at different rates for marijuana flowers, leaves, immature plant. "Homegrown marijuana" (defined) not regulated, taxed. Tax revenues, fees fund OLCC suspense account, Oregon Marijuana Account distributed: 40% to Common School Fund; 20% for mental health/alcohol/drug services; 15% for state police; 20% for local law enforcement; 5% to Oregon Health Authority. "Marijuana paraphernalia" (defined) excluded from "drug paraphernalia" laws. Other provisions."

As the Mayor recently noted there are a number of cities which are enacting ordinances in advance of the November 4th election to allow for the local taxation of marijuana should Measure 91 pass. Cities that have or are in the process of adoption include Ashland, Dundee, Forest Grove, Hillsboro, Milwaukie, Oregon City, Scappoose, Tigard, and Wilsonville.

The draft ordinance on this agenda would impose a gross receipts tax on the sale of medical marijuana, recreational marijuana (should it be legalized by Oregon voters in November) and marijuana-infused products. The ordinance is modeled from the Milwaukie ordinance and imposes a lower tax on medical marijuana (5%) than that imposed on recreational marijuana (10%). The ordinance would apply to all state-licensed retailers of marijuana and medical marijuana, as well as all those who are required to be licensed by the state. The ordinance allows the seller to retain five percent (5%) of all taxes due to defray the costs of bookkeeping and remittance.

While no provisions in current Oregon law prohibit the City from taxing marijuana, Measure 91 contains the following language:

SECTION 42. State has exclusive right to tax marijuana. No county or city of this state shall impose any fee or tax, including occupation taxes, privilege taxes and inspection fees, in connection with the purchase, sale, production, processing, transportation, and delivery of marijuana items.

However there is no certainty that the state or others may not seek challenge a local marijuana tax upon adoption of Measure 91, nor how the courts may rule on any such challenge.

The ordinance before the City Council for consideration is a gross receipts tax on the sale of marijuana, medical marijuana, and marijuana-infused products. A gross receipts tax is applied to the total gross taxable revenues of a business. It is similar to a sales tax except that it is levied on the seller rather than the purchaser. The seller is responsible for maintaining accurate records of its gross revenues from taxable goods and services and then remitting a percentage to the taxing entity. A business subject to a gross receipts tax typically will show the tax on the bill of sale that it presents to the customer, but it is nonetheless the business that is responsible for paying it. A gross receipt tax has the administrative advantage of ease of collection and ease of auditing.

Given the uncertainty of a passage, potential locations of medical marijuana dispensaries and volume of recreational usage sale locations, no tax revenue projection can be reasonably estimated.

Timing Issues & Adoption Process:

The Mayor directed the City Attorney to present the draft ordinance for Council consideration to tax the sale or transfer of marijuana and marijuana-infused products within the City. Given the state preemption of taxing authority in Measure 91, the City ordinance must be in effect prior to the measure effective date:

SECTION 84. This Act becomes effective 30 days after the day on which it is approved by a majority of the votes cast on it.

The City charter generally requires ordinances be adopted only after public hearings at two separate Council meetings, and to be effective thirty days after adoption. Following the regular adoption process with the ordinance introduction September 23, 2014, second reading October, 14, 2014, would result in an ordinance effective date of November 14, 2014.

While the Council "could" declare an emergency and adopt the ordinance with only 1 public hearing, however, due to the imposition of a tax, the 30 day referral period prior to becoming effective would still be required.

To provide the most public comment opportunities, staff recommends the regular ordinance timing process where the proposed ordinance would receive two public hearings and become effective on November 14, 2014 30 days after adoption.

SUMMARY:

Taxing marijuana could limit the number of sellers in the Troutdale area, with such sellers electing instead to operate in cities without such a tax. On the negative side, taxability has been argued to lead to more black market unlicensed sales and these sellers are harder to catch and tax.

ORDINANCE NO.

AN ORDINANCE ADOPTING A NEW CHAPTER OF THE TROUTDALE MUNICIPAL CODE CHAPTER 3.35, "MARIJUANA TAX".

THE TROUTDALE CITY COUNCIL FINDS AS FOLLOWS:

1. That Troutdale is an Oregon home-rule municipal corporation having all powers which the constitutions, statutes, and the common law of the United States and this state expressly or impliedly grant or allow municipalities as full as though the charter specifically enumerated each of those powers; and
2. That the city's charter shall be liberally construed to the end that the city may have all powers necessary and convenient for the conduct of its municipal affairs, including all powers that cities may assume pursuant to state laws and to the municipal home rule provisions of the state constitution
3. That, except as otherwise provided, all powers of the City shall be vested in the City Council
4. That Ballot Measure 91, scheduled for the November 4, 2014 general election, would, if approved by the voters, legalize recreational marijuana in Oregon, and specifically prohibits cities and counties from imposing their own taxes on the marijuana, giving exclusive taxing authority to the state.
5. That the City Council wishes to exercise that power to tax the sale or transfer of marijuana and marijuana-infused products within the City.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF TROUTDALE

Section 1. Title 3 REVENUE AND FINANCE, of the Troutdale Municipal Code is amended to add a new chapter, 3.35, Marijuana Tax, to read as set forth in Attachment A, which is incorporated by reference herein.

Section 2. Severability. If any provision of this ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are severable. This City Council hereby declares that it would have adopted this ordinance irrespective

of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the ordinance be enforced.

Section 3. This Ordinance shall be effective on the thirtieth day after its adoption.

YEAS:
NAYS:
ABSTAINED:

Doug Daoust, Mayor

Date

Debbie Stickney, City Recorder
Adopted:

Chapter 3.35 MARIJUANA TAX

- 3.35.010 Purpose**
- 3.35.015 Definitions**
- 3.35.020 Tax Imposed**
- 3.35.025 Amount and Payment, Exemption, Deductions**
- 3.35.030 Seller Responsible for Payment of Tax**
- 3.35.035 Penalties and Interest**
- 3.35.040 Failure to Report and Remit Tax – Determination of Tax by Director**
- 3.35.045 Appeal**
- 3.35.050 Refunds**
- 3.35.055 Actions to Collect**
- 3.35.060 Violation**
- 3.35.065 Confidentiality**
- 3.35.070 Audit of Books, Records, or Persons**
- 3.35.075 Forms and Regulations**

3.35.010 Purpose

For the purposes of this chapter, every person who sells marijuana, medical marijuana or marijuana-infused products in the City of Troutdale is exercising a taxable privilege. The purpose of this chapter is to impose a tax upon the retail sale of marijuana, medical marijuana, and marijuana-infused products.

3.35.015 Definitions

As used in this ordinance, unless the context requires otherwise:

1. "Director" means the Director of Finance for the City of Troutdale or his/her designee.
2. "Gross Sales" means the total amount received in money, credits, property or other consideration from sales of marijuana, medical marijuana and marijuana-infused products that is subject to the tax imposed by this chapter.
3. "Marijuana" means all parts of the plant of the Cannabis family Moraceae, whether growing or not; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant or its resin, as may be defined by Oregon Revised Statutes as they currently exist or may from time to time be amended. It does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted there from), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination.

4. "Oregon Medical Marijuana Program" means the office within the Oregon Health authority that administers the provisions of ORS 475.300 through 475.346, the Oregon Medical Marijuana Act, and all policies and procedures pertaining thereto.
5. "Person" means natural person, joint venture, joint stock company, partnership, association, club, company, corporation, business, trust, organization, or any group or combination acting as a unit, including the United States of America, the State of Oregon and any political subdivision thereof, or the manager, lessee, agent, servant, officer or employee of any of them.
6. "Purchase or Sale" means the acquisition or furnishing for consideration by any person of marijuana or marijuana-infused product within the City.
7. "Registry identification cardholder" means a person who has been diagnosed by an attending physician with a debilitating medical condition and for whom the use of medical marijuana may mitigate the symptoms or effects of the person's debilitating medical condition, and who has been issued a registry identification card by the Oregon Health Authority.
8. "Retail sale" means the transfer of goods or services in exchange for any valuable consideration.
9. "Seller" means any person who is required to be licensed or has been licensed by the State of Oregon to provide marijuana or marijuana-infused products to purchasers for money, credit, property or other consideration.
10. "Tax" means either the tax payable by the seller or the aggregate amount of taxes due from a seller during the period for which the seller is required to report collections under this chapter.
11. "Taxpayer" means any person obligated to account to the Director of Finance for taxes collected or to be collected, or from whom a tax is due, under the terms of this chapter.

3.35.020 Tax Imposed

A tax is hereby levied and shall be paid by every seller exercising the taxable privilege of selling marijuana and marijuana-infused products as defined in this chapter. The Director is authorized to exercise all supervisory and administrative powers with regard to the enforcement, collection, and administration of the marijuana tax.

3.35.025 Amount and Payment, Exemption, Deductions

1. In addition to any fees or taxes otherwise provided for by law, every seller engaged in the sale of marijuana and marijuana-infused products shall pay a tax of ten percent (10%) of the gross sale amount paid to the seller of marijuana and marijuana-infused products by individuals who are not registry identification cardholders purchasing marijuana or marijuana-infused products under the Oregon Medical Marijuana Program.
2. Sale of marijuana or marijuana-infused products to individuals who are registry identification cardholders purchasing marijuana or marijuana-infused products under the Oregon Medical Marijuana Program shall pay a tax of five percent (5%) of the gross sale amount paid to the seller of marijuana and marijuana-infused products.
3. The following deductions shall be allowed against sales received by the seller providing marijuana or marijuana-infused products:
 - a. Refunds of sales actually returned to any purchaser;
 - b. Any adjustments in sales which amount to a refund to a purchaser, providing such adjustment pertains to the actual sale of marijuana or marijuana-infused products and does not include any adjustments for other services furnished by a seller.

3.35.030 Seller Responsible for Payment of Tax

1. Every seller shall, on or before the last day of the month following the end of each calendar quarter (in the months of April, July, October and January) make a return to the Director, on forms provided by the City, specifying the total sales subject to this chapter and the amount of tax collected under this chapter. The seller may request or the Director may establish shorter reporting periods for any seller if the seller or Director deems it necessary in order to ensure collection of the tax and the Director may require further information in the return relevant to payment of the tax. A return shall not be considered filed until it is actually received by the Director.
2. At the time the return is filed, the full amount of the tax collected shall be remitted to the Director. Payments received by the Director for application against existing liabilities will be credited toward the period designated by the taxpayer under conditions that are not prejudicial to the interest of the City. A condition considered prejudicial is the imminent expiration of the statute of limitations for a period or periods.
3. Non-designated payments shall be applied in the order of the oldest liability first, with the payment credited first toward any accrued penalty, then to interest, then to the underlying tax until the payment is exhausted. Crediting of a payment toward a

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specific reporting period will be first applied against any accrued penalty, then to interest, then to the underlying tax. If the Director, in his or her sole discretion, determines that an alternative order of payment application would be in the best interest of the City in a particular tax or factual situation, the Director may order such a change. The Director may establish shorter reporting periods for any seller if the Director deems it necessary in order to ensure collection of the tax. The Director also may require additional information in the return relevant to payment of the liability. When a shorter return period is required, penalties and interest shall be computed according to the shorter return period. Returns and payments are due immediately upon cessation of business for any reason. All taxes collected by sellers pursuant to this chapter shall be held in trust for the account of the City until payment is made to the Director. A separate trust bank account is not required in order to comply with this provision.

4. Every seller required to remit the tax imposed in this chapter shall be entitled to retain five percent (5%) of all taxes due to defray the costs of bookkeeping and remittance.
5. Every seller must keep and preserve in an accounting format established by the Director records of all sales made by the dispensary and such other books or accounts as may be required by the Director. Every seller must keep and preserve for a period of three (3) years all such books, invoices and other records. The Director shall have the right to inspect all such records at all reasonable times.

3.35.035 Penalties and Interest

1. Any seller who fails to remit any portion of any tax imposed by this chapter within the time required shall pay a penalty of ten percent (10%) of the amount of the tax, in addition to the amount of the tax.
2. Any seller who fails to remit any delinquent remittance on or before a period of 60 days following the date on which the remittance first became delinquent, shall pay a second delinquency penalty of ten percent (10%) of the amount of the tax in addition to the amount of the tax and the penalty first imposed.
3. If the Director determines that the nonpayment of any remittance due under this chapter is due to fraud, a penalty of twenty-five percent (25%) of the amount of the tax shall be added thereto in addition to the penalties stated in subparagraphs 1 and 2 of this section.
4. In addition to the penalties imposed, any seller who fails to remit any tax imposed by this chapter shall pay interest at the rate of one percent (1%) per month or fraction thereof on the amount of the tax, exclusive of penalties, from the date on which the remittance first became delinquent until paid.
5. Every penalty imposed, and such interest as accrues under the provisions of this section, shall become a part of the tax required to be paid.

6. All sums collected pursuant to the penalty provisions in subparagraphs 1 and 3 of this section shall be distributed to the City of Troutdale General Fund to offset the costs of auditing and enforcement of this tax.

3.35.040 Failure to Report and Remit Tax – Determination of Tax by Director

If any seller should fail to make, within the time provided in this chapter, any report of the tax required by this chapter, the Director shall proceed in such manner as deemed best to obtain facts and information on which to base the estimate of tax due. As soon as the Director shall procure such facts and information as is able to be obtained, upon which to base the assessment of any tax imposed by this chapter and payable by any seller, the Director shall proceed to determine and assess against such seller the tax, interest and penalties provided for by this chapter. In case such determination is made, the Director shall give a notice of the amount so assessed by having it served personally or by depositing it in the United States mail, postage prepaid, addressed to the seller so assessed at the last known place of address. Such seller may make an appeal of such determination as provided in section 3.35.045. If no appeal is filed, the Director's determination is final and the amount thereby is immediately due and payable.

3.35.045 Appeal

Any seller aggrieved by any decision of the Director with respect to the amount of such tax, interest and penalties, if any, may appeal pursuant to the City Council within thirty (30) days of the serving or mailing of the determination of tax due. The City Council shall hear and consider any records and evidence presented bearing upon the Director's determination of amount due, and make findings affirming, reversing or modifying the determination. The findings of the City Council shall be final and conclusive. Any amount found to be due shall be immediately due and payable upon the service of notice.

3.35.050 Refunds

1. Whenever the amount of any tax, interest or penalty has been overpaid or paid more than once, or has been erroneously collected or received by the City under this chapter, it may be refunded as provided in subparagraph 2 of this section, provided a claim in writing, stating under penalty of perjury the specific grounds upon which the claim is founded, is filed with the Director within one year of the date of payment. The claim shall be on forms furnished by the Director.
2. The Director shall have twenty (20) calendar days from the date of receipt of a claim to review the claim and make a determination in writing as to the validity of the claim. The Director shall notify the claimant in writing of the Director's determination. Such notice shall be mailed to the address provided by claimant on the claim form. In the event a claim is determined by the Director to be a valid claim, in a manner prescribed by the Director a seller may claim a refund, or take as credit against taxes collected and remitted, the amount overpaid, paid more than once or erroneously collected or received. The seller shall notify

Director of claimant's choice no later than fifteen (15) days following the date Director mailed the determination. In the event claimant has not notified the Director of claimant's choice within the fifteen (15) day period and the seller is still in business, a credit will be granted against the tax liability for the next reporting period. If the seller is no longer in business, a refund check will be mailed to claimant at the address provided in the claim form.

3. Any credit for erroneous overpayment of tax made by a seller taken on a subsequent return or any claim for refund of tax erroneously overpaid filed by a seller must be so taken or filed within three (3) years after the date on which the overpayment was made to the City.
4. No refund shall be paid under the provisions of this section unless the claimant established the right by written records showing entitlement to such refund and the Director acknowledged the validity of the claim.

3.35.055 Actions to Collect

Any tax required to be paid by any seller under the provisions of this chapter shall be deemed a debt owed by the seller to the City. Any such tax collected by a seller which has not been paid to the City shall be deemed a debt owed by the seller to the City. Any person owing money to the City under the provisions of this chapter shall be liable to an action brought in the name of the City of Troutdale for the recovery of such amount. In lieu of filing an action for the recovery, the City of Troutdale, when taxes due are more than 30 days delinquent, can submit any outstanding tax to a collection agency. So long as the City of Troutdale has complied with the provisions set forth in ORS 697.105, in the event the City turns over a delinquent tax account to a collection agency, it may add to the amount owing an amount equal to the collection agency fees, not to exceed the greater of fifty dollars (\$50.00) or fifty percent (50%) of the outstanding tax, penalties and interest owing.

3.35.060 Violation

1. A violation of this chapter shall be punishable by a mandatory fine not to exceed two hundred dollars (\$200.00). Each violation of a separate provision of this chapter shall constitute a separate offense and each day that a violation of this chapter is committed or permitted to continue shall constitute a separate offense. A violation of this chapter shall be processed pursuant to Chapter 1.08 of this code. It is a violation of this chapter for any seller or other person to:
 - a. Fail or refuse to comply as required herein;
 - b. Fail or refuse to furnish any return required to be made;
 - c. Fail or refuse to permit inspection of records;
 - d. Fail or refuse to furnish a supplemental return or other data required by the Director;

- e. Render a false or fraudulent return or claim; or
 - f. Fail, refuse or neglect to remit the tax to the city by the due date.
2. The remedies provided by this section are not exclusive and shall not prevent the City from exercising any other remedy available under the law, nor shall the provisions of this ordinance prohibit or restrict the City or other appropriate prosecutor from pursuing criminal charges under state law or City ordinance.

3.35.065 Confidentiality

Except as otherwise required by law, it shall be unlawful for the City, any officer, employee or agent to divulge, release or make known in any manner any financial information submitted or disclosed to the City under the terms of this chapter. Nothing in this section shall prohibit:

1. The disclosure of the names and addresses of any person who is operating a licensed establishment from which marijuana or marijuana-infused products are sold or provided; or
2. The disclosure of general statistics in a form which would not reveal an individual seller's financial information; or
3. Presentation of evidence to the court, or other tribunal having jurisdiction in the prosecution of any criminal or civil claim by the Director or an appeal from the Director for amount due the City under this chapter; or
4. The disclosure of information when such disclosure of conditionally exempt information is ordered under public records law procedures; or
5. The disclosure of records related to a business' failure to report and remit the tax when the report or tax is in arrears for over six (6) months or the tax exceeds five thousand dollars (\$5,000). The City Council expressly finds and determines that the public interest in disclosure of such records clearly outweighs the interest in confidentiality under ORS 192.501(5).

3.35.070 Audit of Books, Records, or Persons

1. The City, for the purpose of determining the correctness of any tax return, or for the purpose of an estimate of taxes due, may examine or may cause to be examined by an agent or representative designated by the City for that purpose, any books, papers, records, or memoranda, including copies of seller's state and federal income tax return, bearing upon the matter of the seller's tax return. All books, invoices, accounts and other records shall be made available within the City limits and be open at any time during regular business hours for examination by the Director or an authorized agent of the Director.

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2. If the examinations or investigations disclose that any reports of sellers filed with the Director pursuant to the requirements herein have shown incorrectly the amount of tax accruing, the Director may make such changes in subsequent reports and payments, or make such refunds, as may be necessary to correct the errors disclosed by its examinations or investigations.
3. The seller shall reimburse the City for reasonable costs of the examination or investigation if the action disclosed that the seller paid 97 percent or less of the tax owing for the period of the examination or investigation. In the event that such examination or investigation results in an assessment by and an additional payment due to the City, such additional payment shall be subject to interest at the rate of 9 percent per year from the date the original tax payment was due.
4. If any taxpayer refuses to voluntarily furnish any of the foregoing information when requested, the Director may immediately seek a subpoena from the Troutdale Municipal Court to require that the taxpayer or a representative of the taxpayer attend a hearing or produce any such books, accounts and records for examination.
5. Every seller shall keep a record in such form as may be prescribed by the Director of all sales of marijuana and marijuana-infused products. The records shall at all times during the business hours of the day be subject to inspection by the Director or authorized officers or agents of the Director.
6. Every seller shall maintain and keep, for a period of three (3) years, all records of marijuana and marijuana-infused products sold.

3.35.075 Forms and Regulations

The Director is hereby authorized to prescribe forms and promulgate rules and regulations to aid in the making of returns, the ascertainment, assessment and collection of said marijuana tax and in particular and without limiting the general language of this chapter, to provide for:

1. A form of report on sales and purchases to be supplied to all vendors;
2. The records which sellers providing marijuana and marijuana-infused products are to keep concerning the tax imposed by this chapter.