City *of* Tigard
Tigard City Council Meeting Minutes
June 26, 2012

Mayor Dirksen called the meeting to order at 6:30 p.m.

Name	Present	Absent
Mayor Dirksen	✓	
Council President Buehner	✓	
Councilor Henderson	✓	
Councilor Wilson	✓	
Councilor Woodard	✓	

Staff present: City Manager Wine, Assistant City Manager Newton, Assistant Public Works Director Rager, Parks Facilities Manager Martin, Senior Project Engineer Murchison, City Attorney Ramis, City Recorder Wheatley

- STUDY SESSION
  - A. Discussion and Development of a Park Naming Procedure

Track 2

Mayor Dirksen introduced discussion on this agenda item noting this issue came about after initial discussions about the name for a new park (an 8-acre parcel on Bull Mountain). During Mayor Dirksen's remarks he indicated his preference would be to name the largest parcel assembled for parkland on Bull Mountain, "Bull Mountain Park."

City Manager Wine referred to park-naming discussions previously. A couple of times during the property acquisition process on several properties, the question was raised whether the name of the prior owner should carry. The park-naming procedures are unclear.

Parks Facilities Manager Martin said it is timely for the City Council to review this matter, because the property referred to as the Summer Creek Property has not been named. The property on Sunrise is being referred to as the Sunrise Property; however, if there is a desire to call it something else, then the sooner the better to avoid confusion. The Paull properties acquisition was presented to PRAB as "East Bull Mountain," and a "Friends of East Bull Mountain" group has already formed and has a presence on the Internet. Council members referred to other instances of properties purchased: the "Fowler Property" and "Cach Creek." The original 11 acres, according to Parks Facilities Manager Martin, should be called Cach Creek due to an agreement made at the

time the city purchased this property. The family has requested the spelling be changed from "Cache" to "Cach." During discussion, Parks Facilities Manager Martin suggested this area could be called the Cach Creek Nature area within the Bull Mountain Park. The entire park area (including the Cach area) is about 20 acres.

Assistant Public Works Director Rager advised, in response to a question from Councilor Henderson, that City Council has the authority through the "memorial policy" to name parks. There is no process spelled out regarding how a park name can be proposed for City Council consideration. He referred to a couple of options staff put together for council to begin its discussion on developing a park naming procedure.

Councilor Wilson suggested at the beginning of a project a more generic name be used; i.e., Park No. 1. However, he said it is not that important because a name can be changed – as they are all of the time. Primarily, he would prefer the name to be simple, easy to spell, descriptive and non-controversial.

City Manager Wine advised that part of staff's reasoning for bringing this forward to council discussion, is to determine "the how of it" – who would the council like to have involved at the point when naming occurs. Current policy is unclear about who initiates that discussion.

Council President Buehner said there should be a clear policy regarding negotiations to purchase policy and how the park shall be named. Parks Facilities Manager Martin the name of the park can be asked for by the seller as part of the purchase and sale agreement. Council President Buehner said the policy should address this should the subject of the name not come up during the purchasing negotiations. Assistant Public Works Director Rager recalled that for one negotiation, the city's real estate attorney offered that the property could be named after the seller as a negotiation tool.

Councilor Wilson said he would rather it be the policy not to name parks after the sellers; however, the city would have the option to allow it. He said unless the property is donated, he does not see any reason to honor someone who is receiving full market value for the property. However, if naming the park after the seller is necessary to "make the deal," then it could be considered. Parks Facilities Manager Martin said that part of the policy acknowledges that name selection is a negotiating tool. Mayor Dirksen said naming a park after someone should be worth something. He said we have been too quick to agree to name property after the people who sold the property to the city. Council President Buehner said she thought transferring the seller's name to the parcel should be a consideration as part of the buying process.

Assistant Public Works Director Rager asked that, aside from the purchase negotiations, the council give direction about the process by which the staff would come to the council with name options. He asked if the council would be in favor of having staff acquire name nominations through the PRAB and then present council with the top picks for final selection (Option B in the staff report). Mayor Dirksen said he thinks the council should have the opportunity to nominate potential names for PRAB

consideration as well. The final decision for the name would rest with the City Council. He suggested a collaborative process. City Manager Wine said staff's proposed Option B envisions a process by which council and the PRAB would be the generators of naming ideas.

City Manager Wine said, based on tonight's discussion, staff will put together a redraft of the sample resolution that follows the guidelines contained in Option B for council consideration. Councilor Woodard said he likes Option B and added he would like to retain the ability to offer the name as a negotiation tool during the process of purchasing a property. Assistant Public Works Director Rager said this information could be brought to the council during the course of real estate transaction negotiations. Mayor Dirksen agreed that the name selection should always be an option for consideration during property purchase negotiations.

Assistant Public Works Director Rager called council's attention to a document attached to the Agenda Item Summary, titled *Excerpt – Property Acquisition Procedures.* This document says "Naming" rights for the property are frequently desired by the owner." The procedures then note this is a point of negotiation.

Councilor Woodard suggested that when PRAB is considering names, the City Council could be presented with three memorial naming options (if available) so these could be considered. He explained potential names could be of historical significance for the council to consider for places or people who have made great contributions to the community. Council President Buehner said she would prefer not to have the policy too tightly written and limited.

B. Review City Council Appointment Matrix

City Manager Wine said this item is before the City Council for members to review the existing matrix as confirmed in January. Staff requests the council reviews and confirms or make reassignments to the board and commission liaison appointments. Staff would like to clarify any misunderstandings or those not accurately captured for the matrix.

Council President Buehner reported that she and Councilor Wilson traded certain assignments – one was noted and the other not. Councilor Wilson picked up the transportation assignments and Council President Buehner took on the water-related assignments. After discussion, the following change was noted for the appointment matrix:

Willamette River Water Coalition:	Primary: Councilor Henderson Alternate: Council President Buehner

Council President Buehner suggested that when appointments are assigned next year that the same person should be appointed for the Regional Water Providers Consortium and the Willamette River Water Coalition.

Other water-related groups include the Intergovernmental Water Board and the Tigard-Lake Oswego Joint Water Partnership Oversight Committee.

Council President Buehner referred to the Clackamas River Water Providers and the advisability that someone from Tigard join that group as a representative. Staff will follow up so council can consider joining this group at the next review period of council liaison appointments.

Councilor Henderson advises he serves as the representative to the Tree Board. He asked whether Councilor Wilson had attended these meetings at one time. After discussion, it was determined that when the Urban Forestry Code was in initial development, there was an advisory committee formed and Councilor Wilson attended those meetings. The Tree Board has been somewhat inactive recently; there has been some discussion of adding some issues for the group to review. Mayor Dirksen said there has been some discussion about changing the name from the Tree Board to the Natural Resources Board and they would address things such as understory and wildlife. Councilor Henderson said he would be interested in remaining as the liaison.

There was discussion on the Washington County Coordinating Committee (WCCC) for which Mayor Dirksen is the primary representative. This Committee deals with transportation issues. Representatives consist of the mayors of cities and officials from special districts. Washington County commissioners expressed concern that as Tigard will soon have transition on the City Council, that a new primary representative should be identified. Council President Buehner now serves as alternate to this group and Mayor Dirksen suggested it would be a good idea if she began to attend WCCC meetings with him on a regular basis.

The Mayor serves as the primary to the Westside Economic Alliance. Mayors are invited to belong to this group. There is a board meeting on June 27 and Mayor Dirksen said he plans to ask how the transition would occur; he'll report what he finds to the rest of the council.

City Manager Wine said the matrix would be revised as directed this evening. She called attention to the assignments for Mayor Dirksen and asked the City Council members to consider who might succeed the mayor. The liaison appointments will be reviewed by the council again after the November 2012 election results are known.

Track 4

C. Administrative Items

- Complete Insurance Benefit Forms - Open Enrollment Ends June 27 – Mayor Dirksen reminded council members to complete benefit forms.

Council calendar items were reviewed:

- Council Calendar:
  - July - Beginning of City Hall offices open 8 a.m. to 6 p.m., Monday through Thursday; Closed on Fridays
  - July 3 - CCDA Meeting - 6:30 p.m.
  - July 4 – Independence Day Holiday - City Offices Closed
  - July 10 - Business Meeting - 6:30 p.m. Study Session/7:30 p.m. Business Meeting
  - July 17 - Workshop Meeting - 6:30 p.m.
  - July 24 - Business Meeting - 6:30 p.m. Study Session/7:30 p.m. Business Meeting
  - August 7 - CCDA Meeting Canceled so City Council can attend National Night Out

Mayor Dirksen read the citation for an executive session:

- EXECUTIVE SESSION: The Tigard City Council went into Executive Session at 7:05 p.m. to discuss real property transactions under ORS 192.660(2) (e).

Executive Session concluded at 7:19 p.m.

1. BUSINESS MEETING

A. Mayor Dirksen called the meeting to order at 7:31 p.m.

B. Roll Call

Name	Present	Absent
Mayor Dirksen	✓	
Council President Buehner	✓	
Councilor Henderson	✓	
Councilor Wilson	✓	
Councilor Woodard	✓	

C. Pledge of Allegiance

D. Council Communications & Liaison Reports - Mayor Dirksen advised there will be several liaison reports, which will be given during Agenda Item No. 8 (see below).

E. Call to Council and Staff for Non-Agenda Items - None.

2. CITIZEN COMMUNICATION

A. Follow-up to Previous Citizen Communication – None.

B. Citizen Communication – Sign Up Sheet

Gary Romans, 13166 Broadmoor Drive, Tigard, OR 97223 spoke as a representative of the Mask & Mirror Community Theater. He thanked the City Council for its support of the arts and recreation in Tigard. He reported that more than 85 volunteers have put in more than 9,000 hours to fully stage three productions. A little more than 1,300 tickets were sold and all productions were financially viable. The group presented eight library readings, including the Tigard library where the public participated by reading parts in plays. They just completed managing the community stage at the Tigard Festival of Balloons.

Next year, Mr. Romans advised that Mask & Mirror plans three more productions at the Tigard Calvin Presbyterian Church, where they are renting a stage. The group received a grant from the Cultural Coalition of Washington County and the Oregon Cultural Trust and they will provide free entertainment in an effort they are calling "Traveling Thespians."

Mayor Dirksen congratulated the group on a successful first season.

Mayor Dirksen reviewed the Consent Agenda:

3. CONSENT AGENDA:

A. Approve City Council Meeting Minutes for:

1. June 5, 2012

B. Local Contract Review Board:

1. Award Fuel and Related Services Contract to Bretthauer Oil Company

Motion by Councilor Wilson, seconded by Councilor Henderson, to approve the Consent Agenda.

The motion was approved by a unanimous vote of City Council present.

Mayor Dirksen	Yes
Council President Buehner	Yes
Councilor Henderson	Yes
Councilor Wilson	Yes
Councilor Woodard	Yes

4. PUBLIC HEARING - APPROVE ISSUANCE OF TAX EXEMPT BONDS BY YAMHILL COUNTY FOR THE BENEFIT OF GEORGE FOX UNIVERSITY - RESOLUTION

- Mayor Dirksen opened the public hearing.
- Declarations or Challenges: None.
- Finance and Information Services Department Director LaFrance presented the staff report.
  - This matter is, essentially, a formality as there is no financial impact to the City of Tigard for this action. The action is to help Yamhill County and George Fox University. The University has a campus in the City of Tigard.
  - The bond is being refinanced to take advantage of the favorable interest rates.
  - Because part of the bond proceeds were spent in the City of Tigard, the city is required by the Internal Revenue Service to take the action as proposed in the resolution.
- Public Testimony - None.
- Staff recommended the council approve the proposed resolution.
- Council Questions
  - In response to a question from Councilor Henderson, Finance and Information Services Department Director LaFrance advised that George Fox University is an owner in the property where there campus is located in Tigard. A small portion of the bond proceeds were used for this facility. Finance and Information Services Department Director LaFrance said that as a non-profit organization, he is not sure that they are required to pay taxes. The bond is tax-exempt.
- Mayor Dirksen closed the public hearing.
- Council Consideration

  Motion by Council President Buehner, seconded by Councilor Wilson, to approve Resolution No. 12-24.

  RESOLUTION NO. 12-24 - A RESOLUTION AUTHORIZING THE ISSUANCE OF REVENUE REFUNDING BONDS, SERIES 2012A (GEORGE FOX UNIVERSITY PROJECT) (TAX-EXEMPT) BY YAMHILL COUNTY, OREGON

The motion was approved by a unanimous vote of City Council present.

Mayor Dirksen	Yes
Council President Buehner	Yes
Councilor Henderson	Yes
Councilor Wilson	Yes
Councilor Woodard	Yes

5. PUBLIC HEARING - APPROVE FISCAL YEAR 2012 YEAR-END SUPPLEMENTAL BUDGET AMENDMENT

- Mayor Dirksen opened the public hearing.
- Mayor Dirksen asked if any council member wished to declare or discuss a conflict of interest or abstention. There were no declarations and there was no discussion of a conflict of interest or abstention.
- Senior Analyst Collins presented the staff report. The items contained in the proposed amendment will be paid for by contingency funds or additional revenue. There will be no impact on the ending fund balances. Ms. Collins reviewed the list of items requiring council action, which are outlined in the Agenda Item Summary for this matter.
- Councilor Henderson inquired about the Fanno Creek Trail Parks SDC expenditures on the list of items requiring council action. Senior Analyst Collins advised the transfer will occur within the SDC accounts, not the General Fund. In response to a request from Councilor Henderson, Ms. Collins said she would provide the balance remaining in the General Fund Contingency.
- Public Testimony: None.
- Staff recommended approval of the proposed resolution.
- Mayor Dirksen closed the public hearing.
- Council Consideration

Motion by Councilor Wilson, seconded by Councilor Woodard, to approve Resolution No. 12-25.

RESOLUTION NO. 12-25 - A RESOLUTION TO ADOPT A SUPPLEMENTAL BUDGET TO ACHIEVE THE FOLLOWING: BUDGET OF UNANTICIPATED EXPENDITURES IN PUBLIC WORKS, THE CAPITAL IMPROVEMENT PROGRAM, DEBT SERVICE, AND FINANCE & INFORMATION SERVICES

The motion was approved by a unanimous vote of City Council present.

Mayor Dirksen	Yes
Council President Buehner	Yes
Councilor Henderson	Yes
Councilor Wilson	Yes
Councilor Woodard	Yes

(Agenda Item No 6 was heard after No. 7)

6. PRESENTATION OF THE CITY OF TIGARD'S AUDIT AND APPROVE THE FINANCIAL OPERATION'S DIVISION RESPONSE TO THE SECRETARY OF STATE'S AUDITS DIVISIONS FINDINGS REGARDING THE CITY'S ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDING JUNE 30, 2011 - RESOLUTION

Assistant Finance Director Smith-Wagar and Mr. Robert Moody, CPA and partner of the Talbot, Korvola, and Warwick firm presented information to the council.

The City of Tigard was selected for a review this year by the Oregon Secretary of State's Audits Division.

Mr. Moody presented required communications to the council. Assistant Finance Director Smith-Wagar distributed the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2011.

- Mr. Moody introduced his firm's "In Charge" for the audit, Monica Parker.
- Mr. Moody referred to his "Report to the Council." (State and Auditing Standards No. 114) He advised that if there had been any disagreements with management about accounting pronouncements or implementation, this would have been in this report. In addition, if there had been any significant problem with the audit, it would have been included in the report. He urged the City Council members to review this report and said there is information about upcoming standards.
- This audit for 2011 went very well and is a testament to the City of Tigard staff. They were prepared and responsive to requests from the auditors.
- The purpose of an audit is to provide an opinion whether financial statements are materially correct as presented; i.e., reasonable assurance. The auditors review a sample of a variety of records representative of the financial records generated by the city. The sample and review is designed to include enough data to support the auditors' conclusions and opinions reached on the financial statements.

- Based on the work conducted in the audit, the auditors gave the city a "clean opinion" or an unqualified opinion on the city's financial statements. This is the highest level of assurance the auditors can give a city as independent CPA's. He clarified that the audit is not a fraud, forensic or performance audit. The audit his firm conducted was a financial statement audit as his firm was engaged to perform.
- Mr. Moody advised his firm supports the formation of an audit committee. This will give his firm an opportunity to present more detail on findings throughout the audit process.
- The firm's opinion is on Page 15 of the financial statement document. This is the only piece within the financial statement that was prepared by the auditor. The remaining pages of the documents were prepared by City of Tigard staff.
- Mr. Moody urged the City Council to look at the Management's Discussion and Analysis contained in the financial statement, beginning on Page 17. This is a good summary of the status of the financial picture for the city in 2010 and 2011. This summary is written to be useful so the average reader can understand the financial condition of the city.
- The biggest change that occurred with the 2011 financial statement was the implementation of GASB Statement No. 54. This statement is from the requirement for local governments to review fund structure and definitions; i.e., General Fund, Special Revenue Funds, Capital Project Funds, and Debt Service Funds. The objective is to make sure that the way the city is using its funds is within the definitions. Prior to GASB 54, the fund balance in governmental funds was shown in three areas: reserved, unreserved, and unreserved designated. Over time these three areas lost identity with regard to what these funds were to be used for from organization to organization. Now the fund balance is divided into five areas: restricted (external restriction); commitment (internal restriction); assigned; unassigned; and non-spendable (not easily converted to cash – i.e., long-term receivables and inventory).
- Mr. Moody referred to Page 38 of the financial statement document. The beginning fund balance was restated to correct a previous presentation of inter-fund loans. Staff brought this to the auditors' attention early in the audit process so the presentation could be corrected.

Mr. Moody asked for questions from the City Council. In a discussion with Councilor Henderson, Mr. Moody commented about the good efforts by staff. There were a number of meetings among the auditors and staff to discuss and reach agreement on how to address issues.

Mr. Moody referred to the Federal Compliance Audit also performed by his firm. The City of Tigard spends a number of federal dollars each year and, as a result, is subject to a "single audit," (if more than $500,000 of federal funds are expended). A separate set of reports were issued. One of the reports is on compliance and internal control at the financial statement level (Page 179 of the financial statement). This report contains the auditors' review of internal controls and compliance. The auditors made note of a couple of things. When specifically reviewing the federal compliance, each grant that the city receives and spends comes with one or more of fourteen potential compliance requirements. The city did a good job in documenting compliance and internal controls over compliance, no findings were noted.

The auditors put together a schedule of "findings and question costs." Findings highlighted were reviewed by Mr. Moody. No findings were serious; items discovered were corrected and steps outlined so the errors would not recur.

Assistant Finance Director Smith-Wagar presented information on the Oregon Secretary of State's Audits Division set of six findings and the steps the city is taking to correct these findings. These steps are outlined in the proposed resolution before the City Council and include:

- Need for more review of work – scheduling enough time for review and having a sufficient number of trained staff to conduct the review. Steps have been taken to provide sufficient time for review and training has been provided to another staff member.
- While staff takes the findings seriously, none of the six findings by the Audits Division had an impact on the ending fund balance.

The six findings, as addressed in the proposed resolution were reviewed by Assistant Finance Director Smith-Wagar; see Appendix A of Resolution No. 12-27.

State law requires the city council to consider and approve a resolution stating:

1. The city staff has received additional training;
2. More internal controls over reporting have been instituted – someone who does the work and someone who reviews this work.
3. Audit procedures timing and financial report preparation schedule have been revised to allow sufficient time for reviews.

Council President Buehner asked if her understanding was correct in that staff and the city's auditor had already found most of these issues before the state's letter was received and staff was in the process of taking corrective action. Assistant Finance Director Smith-Wagar said a couple of the errors were discovered prior to the state's letter and also steps were being taken to provide for a better review process.

Councilor Woodard referred to the state's letter, notation No. 4. Assistant Finance Director Smith-Wagar explained that fund balances listed on Page 37 and Page 75 of the Financial Report should be broken out into the same categories. (Page 75 should have been broken out the same as Page 37 according to the state audit manager). Staff will work with the audit manager to determine whether this is appropriate. Mr. Moody said he and others take the position that GASB has no real jurisdiction behind the notes; rather, GASB sets generally accepted accounting principles and budgetary schedules are not subject to the same requirements – this position will be discussed further with the state audit staff.

In response to a question from Councilor Henderson, Assistant Finance Director Smith-Wagar advised the state performed a desk review of the financial report; they did not come on site. They have no conversations with the staff of the jurisdictions they are reviewing. Every year a number of reports are selected for review.

In response to a question from Councilor Wilson, Mr. Moody advised the rules are applied the same by the state to all size of cities, except if the city is really small. Some cities are so small, they are not subject to the audit requirements.

Motion by Council President Buehner, seconded by Councilor Wilson, to approve Resolution No. 12-27.

RESOLUTION NO. 12-27 - A RESOLUTION APPROVING THE FINANCIAL OPERATIONS DIVISION'S RESPONSE TO THE SECRETARY OF STATE AUDITS DIVISION'S FINDINGS REGARDING THE CITY'S ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2011.

The motion was approved by a unanimous vote of City Council present.

Mayor Dirksen	Yes
Council President Buehner	Yes
Councilor Henderson	Yes
Councilor Wilson	Yes
Councilor Woodard	Yes

(This item was considered by council before Agenda Item No. 6)

7. ESTABLISH THE CITY OF TIGARD AUDIT COMMITTEE - RESOLUTION

Assistant Finance Director Smith-Wagar presented the staff report. Also present to assist with information presented to the City Council was Mr. Rob Moody from the Certified Public Accountant firm of Talbot, Korvola, and Warwick. Ms. Smith-Wagar reviewed the structure of the proposed audit committee as outlined in the Agenda Item Summary for this matter. This proposal was reviewed previously with the Council/Budget Committee and would create a body that the Auditor can report to that is independent of management and Council.

During a previous discussion with the council, it was the preference for a member of the council, the budget committee and the general public to make up the membership of the Audit Committee. Assistant Finance Director Smith-Wagar described the proposed structure and terms of the committee members.

In response to a question from Councilor Henderson, Assistant Finance Director Smith-Wagar advised the committee would start soon. The audit for FY 2011 is finished and the audit for FY 2012 will be starting soon.

Councilor Henderson referred to the turnover that might occur on the council and how this was anticipated with regard to membership. Assistant Finance Director Smith-Wagar said if a council member left before the end of his or her term on the Audit Committee, then another City Council

member could be named as a replacement; or, the City Council could ask the person leaving the council to continue as a member of the Audit Committee.

Mr. Moody offered some information on how several of their clients handle committee membership. The City of McMinnville has two councilors on their Audit Committee along with a Budget Committee member. Washington County has a commissioner and five other members that are at-large and are financial professionals, mostly in government. Clackamas County's Audit Committee is made up of one commissioner and several other individuals. There are many other models. He referred to Ms. Smith-Wagar's comments regarding the benefits of an Audit Committee. Typically, having someone with financial expertise/background is a primary goal so that the fiduciary responsibility for the City Council is fulfilled without taking all of the council's valuable agenda time. The Audit Committee would have the opportunity to focus on issues during the audit as well as the oversight of the independent auditors.

Councilor Henderson asked about the set up for terms. Assistant Finance Director Smith-Wagar said the goal would be to stagger the terms so all of the committee members would not be "brand new" at once. She said the council might decide to choose a council person to serve who is not up for election and could be expected to be around for the two years of the term.

Mayor Dirksen noted that the council has the authority to choose whom they wish from among the City Council members. Because of the circumstances for this year, the decision could be based upon who could serve the entire term. Council President Buehner asked about the requirements for the Audit Committee. Mr. Moody advised, as auditors, their professional standards require them to have communications with the council or audit committee; i.e., those charged with governance. He described activities such as preliminary conversations about risks of fraud and internal control structure and the audit committee's role including risk assessment, monitoring, control procedures and the information flow throughout the organization. Each year the auditors would orient new members and talk to them about the basic approach and inquire if the new member can identify any areas that should be worked into the audit plan.

Mayor Dirksen spoke to his support of the composition of the proposed committee members.

Motion by Council President Buehner, seconded by Councilor Henderson, to approve Resolution No. 12-26.

RESOLUTION NO. 12-26 - A RESOLUTION ESTABLISHING THE CITY OF TIGARD AUDIT COMMITTEE

The motion was approved by a unanimous vote of City Council present.

Mayor Dirksen	Yes
Council President Buehner	Yes
Councilor Henderson	Yes
Councilor Wilson	Yes
Councilor Woodard	Yes

8. COUNCIL LIAISON REPORTS

- Councilor Woodard - Economic Development

Councilor Woodard said he was planning to give a slide presentation to the City Council on July 10. He and Councilor Henderson attended two economic development national seminars. In his report on July 10, he will cover information regarding the components already in place in Tigard to promote economic development as well as steps that could be added.

While it is not the government's job to directly create businesses or jobs, it does need to be responsible for land use and transportation policies that would stimulate the local economy. He spoke to establishing an economic development organization.

The new way to do business is through an economic development organization. He quoted a source from the seminar:

> *If your city doesn't have an economic development organization with an effective, interactive website or nice brochure that shows what your community is attempting to sell or market to business as a quality of place within a geographic location, you will lose out on many investments that are good for your community.*

On July 10, Councilor Woodard will present the types of grant opportunities that could be offered to the City of Tigard by coordinating with investors and others. He referred to land use development and redevelopment steps that could be considered. He suggested that it might be a good idea to hold a workshop discussion after his presentation on July 10 and requested the Mayor consider setting this for a future agenda item. The mayor indicated he would like to discuss this with the council after the presentation regarding a date to hold a conversation on the ideas presented by Councilor Woodard. The mayor said he has always felt strongly that the city needed to move into the area of economic development. The combination of where we are with regard to financial stability for the country and the city – as well as where we are in the plans for the downtown and the southwest corridor – indicates this discussion would be timely. Councilor Woodard referred to cost-effective models for Tigard to investigate.

- Council President Buehner – Westside Economic Alliance

Council President Buehner attended an Alliance meeting where a speaker compared Portland to Seattle with regard to their respective economic situations. Here is a summary of the speaker's remarks:

- The Seattle and Portland areas were similar in terms of net income/wages. Oregon declined somewhat in the 1980's, during the recession creating a small gap from how

Seattle was faring economically. In the 1990's Seattle started to "take off" and grew even faster in the 2000's. The Portland metro area, as a whole, has failed to recognize some of the needs in terms of wage increases and employment centers.

- One of the reasons for the Portland situation includes the fact that many large companies have left the area.
- In the last ten years in the traded sector, Portland and Seattle compare similarly. The big difference is in traded services – wages are higher in Seattle in relation to the cost of living.
- Washington County has been carrying the entire Metro area. Were it not for Washington County's economic development, Portland's economy would have shown a decline.
- One of the issues identified by the speaker was the lack of regional consensus about "where we should be going as a region" and whether there should be focus on economic development. This has compromised the ability of the region to grow.
- Council President Buehner said she has requested a copy of the PowerPoint presentation given by the speaker and will share it with the rest of the council.

(Note: after Mayor Dirksen's remarks below, Council President Buehner asked that she be given an opportunity to give a report on water issues at the next meeting.)

- Mayor Dirksen reported on:

  - A draft of legislative concepts from the League of Oregon Cities from the Community Development Policy Committee. Areas of concepts included:
    - Brownfields – recommending that the state recapitalize the brownfields redevelopment fund program with $10 million in the Oregon Business Development Department Budget.
    - Industrial Lands – recommending providing $20 million for a new program to support the "Patient Capital for Industrial Lands Infrastructure Pilot Program"; also to be forwarded to the Oregon Business Development Department Budget.
    - Reuse and Redevelopment – recommending providing a $15 million seed fund to support the employment site reuse and redevelopment program. This would incentivize the reuse of brownfields.
    - Population Forecasting – this matter came forward from smaller communities that lack the staff and resources to provide population forecasting. The committee supported legislation for population forecasts to be generated by Portland State University with opportunity for city input, which would include updated numbers every four years. Because this would be generated by an outside agency, this would not be considered a land use decision and, therefore, cannot be appealed to the Land Use Board of Appeals. This effort could be funded by existing state resources. Mayor Dirksen said he recommended that this could be offered to a city as an option or they could choose to do it themselves.
  - Mayor Dirksen referred to a request from the League of Oregon Cities asking Oregon city council members to suggest issues to add to the League's 2013

legislative agenda. City Manager Wine reported that this matter is scheduled for the July 10 business meeting.

- Mayor Dirksen attended the U.S. Conference of Mayors Annual Convention a couple of weeks ago. One of the sessions he attended had to do with small businesses and franchises. There was support for the concept of franchising. One notion offered was to give returning war veterans priority status to take advantage of franchising opportunities.

  Mayor Dirksen referred to the "Mayor's Access to Capital Resource Guide." One of the problems for small businesses is the ability to access capital for improvements or expansion. There are ways a city can be supportive; i.e.:

  - Provide small business loan guarantees.
  - Participate in "Small Business Saturday," which is the day after "Black Friday" (day after Thanksgiving) to support small businesses during the holiday shopping season.
  - Sponsor "access to capital forums" for small businesses city resources to gather information and resources for small business owners to learn of opportunities to make their businesses thrive and grow. Mayor Dirksen said he thought that this might be something that could be jointly sponsored with the city and the Chamber of Commerce.

  In response to Council President Buehner's question as to whether it would be worthwhile to meet with federal small business administration representatives the next time the council members are in Washington D.C., Mayor Dirksen offered that the local small business administration office is willing to work with cities for local funding and support opportunities.

  Mayor Dirksen sat in on the Energy Standing Committee meeting. They discussed scenarios and approved measures to lead toward U.S. energy independence.

  Mayor Dirksen also attended the Transportation and Communications Standing Committee. He offered comments on funding transportation projects and working with the federal government to overcome its current logjam.

  Mayor Dirksen spoke of the advantages of belonging to the U.S. Conference of Mayors, not only for the purposes of networking, but also to have more opportunity to get information and have a part in policymaking at a higher level. He recommends Tigard's continued involvement. He said he thinks the mayor should attend the summer meeting and explore the possibility of also attending the winter meeting.
- Mayor Dirksen made an announcement regarding his resignation as City of Tigard Mayor, effective December 31, 2012.

Tigard City Council members received an email from Mayor Dirksen on June 22, 2012, stating that Metro announced they had received and accepted the results of the Primary Election that identified him as the winner in the District 3 Metro Council race.

The text of the mayor's announcement follows:

Dear Tigard Citizens, Council and Staff,

It is with decidedly mixed feelings, including no small amount of trepidation, that I hereby tender my resignation as mayor of Tigard, effective December 31, 2012. As you know, this last May 8th, I received over 50 percent of the vote for the office of Metro Councilor for District 3, which includes the City of Tigard as well as much of the City of Beaverton plus the cities of Tualatin, Sherwood, Wilsonville, King City and Durham, and the surrounding unincorporated lands inside the urban growth boundary. Therefore, I will be taking that seat on or around January 1st, 2013, at the conclusion of the term of the current Metro Councilor for the District, Carl Hosticka. Since state law and the Tigard City Charter precludes holding two elected offices concurrently, my acceptance of the Metro Council seat next year demands my prior resignation from my current term of mayor, which is not due to end until December 2014.

Given the opportunity, my preference would be almost certainly to remain as mayor as long as the good residents of Tigard would see fit to reelect me. However, the City Charter also stipulates the limits to the terms a mayor is allowed to fill. This limitation would prevent me from running for reelection at the end of my current term.

Serving as the mayor of Tigard has been the most fulfilling and rewarding experience of my life. To be the mayor is a special position in any case, but having the privilege of being the mayor of a wonderful city like Tigard has only added to the felicity and I can only hope that my future as a Metro Councilor can be half as gratifying. However, I leave with a sense of accomplishment as I look back at what we've achieved during my time in office at Tigard:

- *A new library;*
- *The successful creation of the downtown improvement plan and the urban renewal district, to help make it a reality;*
- *Securing stable funding for street maintenance and improvements and, most of all --*
- *The expansion of our parks and open space inventory, from just 288 acres to over 500 acres, with more still to come as we continue to utilize the remainder of our park bond. Our parks are truly a treasure beyond value that will continue to bless the citizens of Tigard for all future time.*

Though I am leaving the Council, I am not leaving Tigard. Jackie and I have lived here for 35 years and this is our home. Our sons, Chris and Eric, both live here with their families as well.

As your Metro Councilor, I look forward to many more years of collaboration as we work together to meet the challenges of the future.

Best wishes,
Craig Dirksen

9. NON AGENDA ITEMS: None.

10. EXECUTIVE SESSION: Not held.

11. ADJOURNMENT: 9:05 p.m.

Motion by Councilor Wilson, seconded by Councilor Woodard, to adjourn the meeting.

The motion was approved by a unanimous vote of City Council present.

Mayor Dirksen	Yes
Council President Buehner	Yes
Councilor Henderson	Yes
Councilor Wilson	Yes
Councilor Woodard	Yes

Catherine Wheatley

Catherine Wheatley, City Recorder

Attest:

Mayor, City of Tigard

Date: August 21, 2012

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