



City of Tigard

Tigard City Center Development Agency and City Council Meeting Minutes
August 20, 2013

1. WORKSHOP MEETING

A. Council President Henderson called the City Center Development Agency and City Council to meetings to order at 6:32 p.m.

B. City Recorder Wheatley called the roll.

<u>Name</u>	<u>Present</u>	<u>Absent</u>
Mayor Cook		✓
Council President Henderson	✓	
Councilor Buehner	✓	
Councilor Snider	✓	
Councilor Woodard	✓	

Staff: City Manager Wine, Assistant City Manager Newton, Finance and Information Services Department Director LaFrance, Community Development Director Asher, City Engineer Stone, Streets and Transportation Senior Project Engineer McCarthy, Sewer/Water/Storm Senior Project Engineer Murchison and City Recorder Wheatley.

C. Council President Henderson led meeting attendees in the Pledge of Allegiance

D. Council President Henderson asked for Council Communications & Liaison Reports:

Councilor Woodard said the Recreation Steering Committee met. They are in the final sessions putting together an RFP that would lay out a scope for a recreational consultant.

Councilor Woodard noted discussions will be coming up soon at the Metropolitan Area Communications Commission (MACC) regarding MACC's interactions with Comcast.

Councilor Woodard referred to the recent National Night Out event. He visited seven neighborhoods. Most of the feedback he received was positive. One concern was raised: On 105th Avenue at North Dakota Street an enquiry was made as to why there is not a walk path for the bridge. He took a picture of the structure on the Beaverton side and said this

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might be a viable option for Tigard as well. He has shared information with city staff on this matter and will forward additional information to City Manager Wine. He observed runners traveling through this area and witnessed some close calls with vehicular traffic – safety measures are needed; i.e., signs to slow traffic. Councilor Buehner recalled discussions in the past about providing walkways at this location.

Councilor Woodard noted a problem behind the former A-Boy plumbing store, which has become a gathering spot for homeless people who are often drinking alcohol and leaving behind beer cans, etc. There's also graffiti on the back of this newly painted building. He's taken pictures and will forward these to City Manager Wine. He suggested the solution would be to construct a fence to keep people out of this area.

Councilor Snider advised he and Councilor Buehner have a joint report to make on recent activity of the Water Partnership Oversight Committee:

- The project is moving forward with activity occurring at the river intake pump station and the water treatment plant site.
- A couple of small- to medium-sized projects ran into difficulties during the bid process. Due to some pre-qualification issues, some bidders were disqualified and rejected by the partnership. Those decisions were appealed and a couple of bidders were determined to be qualified to bid.
- A different strategy has been assumed for the horizontal, directional drilling under the river. It looked as if there might only be one bidder because of the limited number of companies that do this type of work in the country. A request for proposals will be issued, which will be rated by staff followed by negotiations with one or more of the proposal submitters.
- Several additional activities on the project were mentioned, including procurement of several permits.

Council President Henderson advised the Tigard Downtown Alliance is making progress in its formation activities. He hopes in the next couple of months there will be more to report and things are looking good for this organization's formation.

Councilor Buehner attended the downtown Street Fair held last Saturday, which was well attended. She noted she had difficulty locating a particular vendor and suggested that maps identifying vendors' stalls would be helpful for this event in the future.

Councilor Woodard said he also attended the downtown Street Fair and he has some suggestions for improvements when the time is right to do so. In general, he thought the event was good. City Manager Wine advised the Tigard Area Chamber of Commerce is the

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primary organizer of the Street Fair. She said staff could relay comments for improvement to the Chamber or the comments could be made directly to the Chamber.

E. Council President Henderson asked Council and Staff for Non-Agenda Items.

City Manager Wine said the city received an invitation for training on November 7 by the Naval Post-Graduate School Center for Homeland Defense and Security Mobile Education Team. The Washington County emergency management partners have invited Tigard to participate. The invitation was directed to elected officials and department directors. The seminar will look at a catastrophic earthquake scenario.

City Manager Wine said the Community Development Department staff is working with Linn Transit to organize a tour of their rapid bus transit operations.

2. BRIEFING ON CAPITAL IMPROVEMENT PLAN (CIP) PROJECTS

City Engineer Stone presented the staff report:

- He referred to the status report submitted to the City Council in their packet materials.
- He briefly noted the projects listed in the status report.
 - Many of the street projects are in the design phase. Some are under construction. He referred to budget numbers, expenditures and the overall percentage of completion for each of the projects. He explained that the city is partnering on some of the projects and the status report occasionally shows a disproportionate amount of money spent when correlated to the percentage of project completion.
 - The status report is a snapshot view of the events for the last quarter. The report does not reflect the actual amount of money spent over a series of fiscal years.
 - Councilor Woodard suggested including a start date of the status report would be helpful as this would assist him in discerning how well the project is proceeding. After some discussion, City Engineer Stone said he could, in the future, attach another sheet to the quarterly report summarizing the projects and schedule with major activities identified: right-of-way acquisition, permitting and construction. Engineering Manager McMillan commented staff is working on a format to show the schedule for capital improvement projects showing designs, permits, right-of-way acquisitions and construction.
 - Some of the parks projects are completed and some are in the design phase. A good portion of these projects are under construction. Construction contracts were awarded for East Butte Heritage Park, the Dirksen Nature Park, Jack Park, Fanno Creek House and the Fanno Creek Trail.
 - Water projects listed show many that are in the design, construction or permitting phases. The report shows some that are on hold because of permitting required or a circumstance that required the work to be stopped.

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- Sanitary sewer projects generally relate to upsizing of existing lines due to capacity problems or are projects included with other capital projects.
- Storm water projects include many that are associated with city facilities.

Councilor Buehner said that with the Lake Oswego/Tigard water project, once work is ready to be done at the pump station (near Bonita Road), two sets of pipes will be upgraded. She asked about the schedule for this work. City Engineer Stone said that Utility Division Manager Goodrich has identified two projects and is working on projecting when they will have to be constructed. One of the projects identified is to connect a pipeline to the 530 and 550 zone.

Councilor Woodard commented on the East Butte Heritage Park. Residents in this area, during the National Night Out, only had nice things to say about the sewer district and the park. The one negative comment was about traffic speeds in the area. City Engineer Stone said this park is about 70 percent complete.

Councilor Buehner noted when slurry seal was applied in her neighborhood, she attached notices to mailboxes in the area so people would know when their street and neighboring streets were going to be worked on. She said she heard a comment during National Night Out that the initial mailing was received and residents were aware of when their own street was going to be sealed, but were confused about when neighboring streets would be done. She suggested posting notices a week in advance on the mailbox complexes when certain areas are going to be sealed. Streets and Transportation Senior Project Engineer McCarthy said he'd make a note to do this for next year's slurry seal projects.

Council President Henderson noted this report is for the 4th quarter ending on June 30th. Most of the projects are multi-year projects. When stating the percentage of the project done, he would like information about whether the project is on schedule as projected for the year so he would have a sense of how well the projects are progressing.

Council President Henderson referred to the Fanno Creek House. The budget was \$65,000 and expenditures to date are now \$121,000, showing 90 percent completion. He said he noticed the budget adjustment made to accommodate the increased cost. The project has been ongoing over several years. City Engineer Stone said the increase in project work was because some of the work anticipated to be done by staff was done by the contractor.

Councilor Snider said he found the status report to be helpful as it is easy to identify the budgeted amount versus what was spent during the fiscal year. Adding more information would be helpful if it coincides with the purpose of the report and commented on identifying what is trying to be achieved with the report.

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Discussion followed on the reporting process and the end of the year fiscal year reconciliation where there are ending balances for the CIP projects, depending on how much of the project was completed in the fiscal year. City Engineer Stone clarified that by the nature of where the construction season falls in Oregon versus the end of the fiscal year, many times a project has just started in the 4th quarter. City Manager Wine noted efforts are underway to redefine how capital projects are budgeted.

City Manager Wine advised the purpose of bringing this agenda item before the City Council tonight was to respond to a request for an update about the status of CIP projects. These updates are scheduled on a quarterly basis.

Councilor Woodard said he is looking to receive enough information on the CIP projects so he can respond to constituents with as much information as possible, thereby furthering good public relations and adding to the perception of transparency in the city's operations. He added that the CIP projects represent expenditure of taxpayer dollars and he appreciates an understanding of the tool set used to prepare the report. With a few tweaks, the report format would be "perfect" for his purposes.

Councilor Snider said he is unsure if council needs to know what the fiscal year budgeted amount is as it relates to what has been spent to date. He said the real question is, "How much have we budgeted to do the project..." and the budget year is irrelevant. He said he would like to see something that is more global in scope and, therefore, more interpretable.

City Manager Wine acknowledged that the council, in its oversight role, probably wants to know the time period over which the project is to be completed and the amount of money budgeted and to be able to determine whether it is on time, on budget and how is the performance to deliver the project. Councilor Snider added the carryover issue is more of a budget, mechanics question and is irrelevant from an oversight perspective. Councilor Woodard offered that he was looking to determine whether the project was staying within budget or whether savings could be achieved while delivering quality work.

Discussion followed whether the report was providing the information each of the council members were wanting. City Engineer Stone reminded City Council that the report represents a snapshot for a four-month period. Councilor Buehner suggested staff include in the report whether the project is on budget and on time.

City Manager Wine advised staff plans to report CIP project status on a quarterly schedule and the comments offered by the council members tonight have been useful for staff to consider information to include in these reports. City Engineer Stone said the process is evolving and he will consider the City Council comments to improve the reports.

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Council President Henderson commented that the fourth quarter report is more significant and should reflect how well the CIP projects progressed during the fiscal year. Discussion followed on the need to make it clear with regard to the projects from a budgetary and financial status perspective, especially in the fourth quarter report.

3. DISCUSSION ON CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECT PRIORITIZATION

Finance and Information Services Director LaFrance presented the staff report:

- The city is currently receiving input from citizens over the Internet on the next set of CIP projects.
- Once the list is made, a prioritization process is followed.
- Priorities are matched up with funding through the budgetary process.
- Council, during the process last year, requested to have earlier involvement in setting priorities. Feedback from the council was requested on a proposal for council's participation in the prioritization process. This proposal included:
 - Two hours have been set aside in the November workshop for council to work on project prioritization.
 - A method to weight input from several groups is needed. Currently each identified group is given equal weight.
 - Generally, council does not get too involved with the prioritization of sewer, storm water, and water (with exception of the partnership) projects. Most of the council members' involvement interests are in the streets, parks and capital facilities of the city campus. The November workshop focus will be in these areas.
 - Prior to the November workshop, staff will provide a written summary of each of the projects to be considered by council. During the workshop council will have a blank score sheet as they hear a brief description of proposed projects. Council will be asked to take the score sheet home and within a couple of weeks provide staff with the top five priorities within each of the systems.
 - Individual council feedback will be tallied by staff with a report to the City Council listing the overall council CIP priorities.
 - The council will have another opportunity to agree or disagree with the stated priority list.
 - City Council will have equal input to priorities provided by other parties (advisory groups and staff) who have input into the process.
 - Once the prioritization list is established, the next phase is to enter into the budgeting cycle. Staff will bring forward a proposed budget that tries to fund the highest priorities.
 - As members of the Budget Committee and then as City Council, council members will have final say on what is actually funded.

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Council discussion followed on the proposed CIP prioritization process:

- Councilor Woodard said he thinks it is a good idea to know how other boards and committees prioritize. He noted the perspectives brought forward by each of these groups with each being privy to information that could affect how consideration should be given to a project's priority. Time is often lost when trying to find out how one project became a priority over others. Without going into a big production, he said he would like to see something built in the process that gives the opportunity to look at the prioritization of projects. He said he thinks the scorecard is a good idea. Finance and Information Services Director LaFrance summarized Councilor Woodard's suggestion to have the staff and other groups go through the prioritization process and then submit this to the City Council along with the scorecard.
- Councilor Buehner said the special boards and committees are focused on a certain area. Traditionally, it has been the City Council's responsibility to seriously consider the input from the boards and committees; they should have more weight in the priority setting. The City Council does not have the same in-depth knowledge the specialists possess. Years ago, the Planning Commission was being under-utilized and the council made one of the commission's assignments to conduct a review and hold a public hearing on the proposed CIP. This process worked well. She suggested the city go back to using the Planning Commission to review the CIP. Councilor Buehner noted the great amount of time it will take to educate council on all of the proposed projects. She views her job on the council to oversee the "large picture."
- Councilor Snider acknowledged the proposal from Finance and Information Services Director LaFrance was thoughtful and logical. With regard to the consideration of how to weight the input to follow up on Councilor Buehner's points, he suggested that community boards should have 50 percent, council 25 percent and staff 25 percent. He said he also saw the validity of Councilor Woodard's proposal for more of a council review and final veto opportunity on the proposals forwarded from the other groups. He noted Councilor Woodard wanted to have input because of information the council might have that other groups might not; however, it would be difficult to quantify these factors. Using a rigorous ranking process to guide prioritization sometimes results in a priority list that ends up being different than what you thought it would be.
- Council President Henderson said he would like to see information for the council to review to determine if the list makes sense when compared to the strategic plan. This is the council's responsibility and he would not envision a totally different priority list from what is submitted to the council.
- Councilor Woodard explained he did not want to have "veto" rights on the CIP priority list. In his early service on the council he saw there were gaps due to a lack

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of cross-pollination of information among the groups. He is looking for a better way to bring all the information together and for an opportunity prior to the budget process to gain more understanding of the prioritization lists offered by the boards and committees.

In response to a question from Council President Henderson, Finance and Information Services Director LaFrance advised that whatever process is put into place, we can take the final prioritization and present it to the City Council. The council can then decide to whether to accept, enhance and/or make changes to the list. City Manager Wine explained that in the past, by the time the proposed budget is presented, so much has gone into the ranking of projects and the input of boards that it seemed “late” to make any changes. The purpose is to give council an earlier opportunity for input.

City Manager Wine said the current phase of the CIP is the “call for projects.” This means that anyone in the city can send a message to the City Engineer suggesting a project for the CIP. This phase will be over at the end of September. After this process, staff could report to the council the results of the call for projects. Another proposal would be, at the point when the prioritization process with the boards and commissions is complete, staff can report the results to the City Council providing a window into the prioritization process.

Councilor Buehner again referred to the previous use of the Planning Commission and gave more detail on how that process worked. After the hearing, the commission’s recommendation would be forwarded to council and placed on an agenda well in advance of when the proposed budget was released. Councilor Snider cited the fundamental purpose of the request by council was to have an opportunity to have final review of the proposed priorities. Councilor Buehner offered another way to keep council informed about perspectives of the boards and committees would be to have council liaisons provide other council members with a written review.

Assistant City Manager Newton was on staff when the Planning Commission was utilized as Councilor Buehner described. The situation at that time was different – there was no active Park Board, there was no Transportation Committee and the Planning Commission served in the role of providing a lot of those types of oversights. She said she thought it worked well for the citizens to get access to the process. Street projects received the most input. The difficulty for staff was that they did not get input on sewer, water, storm or on parks. There was a hole in the CIP process.

Councilor Buehner said her support of the Planning Commission process was because it was a way to keep the public involved.

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Finance and Information Services Director LaFrance acknowledged the staff does not go out to the public as a whole to weigh-in on priorities. The current process is to utilize the representatives of the public that council has appointed to the advisory groups by asking them to participate in a prioritization process. The Planning Commission members have advised staff that they have representatives serving on other boards and committees and they are comfortable with the process in place.

4. RECEIVE BRIEFING ON A REQUEST TO ABANDON LOCAL IMPROVEMENT DISTRICT (LID) NO. 1

City Engineer Stone presented the staff report. Key points:

- He outlined the status of LID No. 1 for the Tigard Triangle.
- He provided background information on the LID:
 - District was formed in 2008 for improvements along 68th, 69th, 70th as well as Dartmouth.
 - The majority of the property owners formed the LID.
 - Current staff has researched this matter. They met with former City Engineer Gus Duenas who reported that just after this LID was formed the economy fell.
 - At the request of one property owner, the project never moved forward to the design phase. Construction plans have not been completed. A minimal amount of right of way was acquired from one of the LID participants.
- He advised he received requests from a couple of the property owners that the city officials give a status update of the LID and determine whether to proceed with the construction of the improvements. The LID could be abandoned or the LID could remain in place until such time there is interest by the participants to move forward.
- The purpose tonight is to determine what the council's pleasure is with regard to what should be done with this LID. Another public hearing could be held on the issue.

Council questions and discussion:

- Councilor Snider asked who originally prompted the creation of this LID? City Engineer Stone said he understands the driving force behind the formation of this LID was Specht Development. They control a significant portion of the impacted properties.
- Councilor Woodard commented that he has no experience in reviewing LIDs. He said he needs time to gather information.
- City Engineer Stone advised he has heard from two property owners that they would like to have the LID abandoned. Mr. Specht contacted City Engineer Stone saying he does not want the LID abandoned and prefers to have it remain in its current state; formed, but inactive.
- Councilor Buehner advised she was on the City Council when this LID was formed. There were plans for major redevelopment, especially by Mr. Specht. She agreed that the

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“economy tanked” but it is finally starting to come back. At this time, her inclination is to leave the LID in its current state to see what happens in the next year or two.

- Councilor Woodard asked for information about what type of commitment is made by the city when an LID is formed. Staff responded:
 - City Engineer Stone: The original estimates for the construction costs for the LID were \$2-2.5 million. Additional soft costs would raise this amount to about \$3 million.
 - City Manager Wine: The mechanics of an LID were reviewed. Once the district is created, the improvements are made and then the property owners are assessed to their proportionate benefit. The assessments represent the share the property owners pay towards these improvements. She acknowledged to Councilor Woodard, that this is similar to how the sewer reimbursement districts are administered.
 - City Manager Wine: The types of improvements an LID provides include streets, sidewalks and connections to utilities.
 - City Engineer Stone: In response to a question from Councilor Woodard, he said he understands that the only way a property can be removed from the LID is to hold a public hearing with proper notifications made. At least two-thirds of the property owners must be in agreement.
- Councilor Snider noted several property owners are present and suggested they each be given two to three minutes to present their perspective on this LID. Consensus of the council was to allow the property owners to speak on this matter.
- In response to a question from Council President Henderson, City Engineer Stone said the construction would be done through a public contract and would be built using the same process the city follows for a capital improvement project. The money would be budgeted and then the city would proceed with the construction of the improvements. The city fronts the costs of the construction, which is repaid by the property owners through assessments. City Engineer Stone explained there are three options:
 - The city can front all of the money for construction.
 - The city can pre-assess the local improvement district based on the estimate.
 - The city can post-assess and the city would sell bonds.

Comments from property owners from LID No. 1:

- Kazem Nadri advised he and his wife own property at the following location in the Tigard Triangle: 11905 SW 69th Avenue. They did not advocate the LID at time of formation in 2008. They have the smallest piece of property within the LID and purchased this property for their future retirement plans. The amount of their assessment was a hardship. He said the property is falling apart and they need to do some improvements on their own. If the city reconsiders the LID, he and his wife would proceed with improvements required by the city as they set about to remodel.
 - Council President Henderson asked City Engineer Stone if he had any comments on this testimony. City Engineer Stone said he did not have knowledge or the condition

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of Mr. Nadri's property. He referred to the LID map and noted Mr. Nadri's property has frontage along 69th Avenue (Tax Lot 7601) so some of the planned improvements would encompass this property.

- John Kearney advised he lives in Portland, Oregon. He is one of the owners of Dartmouth Townhomes. This property abuts Dartmouth Street, between 69th and 70th Avenues. He said he and his partners purchased the property in 2005. They received city approval for seven condominiums. Immediately after they were approved, the LID was formed and they learned they were going to be assessed \$140,000.

At the time Mr. Kearney purchased the property it was "finished all the way around the perimeter." They were asked to widen Dartmouth Street to the benefit of the city and not to them. They were also asked to re-do the street, curbs and gutters that they had already paid to have put in. At the time, he said Councilor Buehner suggested that something be done for them because of the improvements already completed. Mayor Dirksen at the time said that because they were only residential use (commercial rights had been transferred), some consideration should be made.

Mr. Kearney said at this time there are no plans for the LID work to be done. The property owners are unable to have the work done themselves. He said this property has been for sale for nearly five years. The Specht property has also been listed for sale for several years.

He noted there is no cost estimate nor is there a timeline for the work to be completed. They are trying to sell the property and there are no buyers. Mr. Kearney said they bought the property for \$500,000 and it is on the market now for \$125,000 because they have had to lower the price because of the \$140,000 LID assessment. Their project can no longer be built because their approvals have expired. He added he thought the LID was a great idea, but they have already done their job in beautifying their property on the perimeter. He said they would like to be excluded from the LID. In response to a question from Councilor Buehner, he clarified they are requesting their entire property be excluded from the LID.

In response to a question from Councilor Snider about the boundaries of the LID, City Engineer Stone advised there were a couple of parcels that front on Dartmouth that are part of the LID and are not contiguous to the rest of the LID area because some of the improvements were done.

- Greg Specht, 15325 SW Beaver Creek Court, Beaverton, Oregon, advised his company was the petitioner in 2006 for this LID. This followed the previous Tigard Triangle LID created in 1999 for land south of Dartmouth on SW 69th Avenue on which they developed the 123,000 square foot Tigard Corporate Center. The project was built on speculation in 1999 and they still own the project. This project would not have occurred without this LID.

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The current LID took about two years to process and there was a significant amount of money spent by them and the city to get the LID to this point. The LID followed all of the procedures required and then the economy downturned. Specht planned to build a 70,000 square foot building that received land use approval by the City of Tigard; however, this was “put on the shelf” in late 2007.

Mr. Specht said the LID is a valuable tool that the City of Tigard can use to improve land within the Tigard Triangle that needs improvement. He said there have been a lot of time, effort and money that went into the creation of the district. There are a lot of studies going on right now. The Triangle is a key piece of the ongoing high capacity transit study. He noted the Tigard Triangle Strategic Plan is going on now as well. Mr. Specht said it would be short-sighted to abandon the LID at this time as it would benefit the city as did the 1999 LID.

He said he was unaware of the circumstances for the two other property owners who addressed the council this evening or what is being required of them. He said, “...there are too many moving parts in the evolution of the Triangle and the evolution of this part of the City of Tigard...to abandon the LID. There’s no cost to the City of Tigard to hang on to it.”

Mr. Specht says he owns 4.25 acres within this LID and it is not worth what he paid for it. However, with the economy is in recovery and he anticipates he will eventually develop this property. He acknowledged that this property is for sale, but it’s not going anywhere as there is not much market for this product now, which is slowly coming back.

In response to a question from Council President Henderson, Mr. Kearney said the sewer is in Dartmouth and extends about three feet into Mr. Specht’s property.

Summary for next steps:

Council President Henderson suggested this matter be taken into consideration and the property owners will be advised on what the next steps will be.

City Manager Wine advised there is time held on the City Council agenda for this matter in September. The hope tonight was for staff to receive direction to determine if there was any consensus by the council about what they would like to see back from staff.

Councilor Woodard commented on his understanding of the situation. One of the interested parties would like to be removed from the LID so they could make improvements and move forward. Another interested owner is concerned because of the pending assessment of \$140,000 if the LID is to move forward. He had process questions about whether there is flexibility to consider accommodation of the requests made by the property owners. City Engineer Stone advised that, assuming the project is completed and bonds sold, the city would have a lien on the property for the

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value of assessments. Typically, this would fall under Bancrofting bonding methodology with payments due twice a year. City Engineer Stone responded to a question from Councilor Woodard and agreed that if you were living on your property and had no plans to develop your property you would still be assessed and you would be required to make payments.

City Manager Wine said the mechanism to create the district is about the proportionate benefit to each property and there is no amendment available to how the lien is structured for properties within the LID. There are options and each have an implication. These options include:

- Leave the district as it has been without having made the improvements – it is basically sitting there with no progress made.
- Abandon the LID – would mean the improvements would never be made and this tool would be lost for a means to fund improvements. Abandonment would alleviate some of the other issues the LID is creating for other property owners. There is the possibility the LID could be reconstituted in the future with a different formation. The LID formation process is lengthy.
- Go ahead with the improvements and assess the properties.

Councilor Buehner said she commented in 2008 that, given the fact that there had already been substantial improvements placed on Dartmouth, should there be some adjustment made to recognize that those had already been constructed. At the time, the city engineer said this should be evaluated as we are ready to go ahead to decide how much that amelioration would be. But then, the economy stalled out and the LID just sat. The response was that, “yes, we should probably do something, but that something never got explored...”

Councilor Snider said he sympathetic to the concerns of the property owners. He asked Mr. Kearney why he thought he was unable to sell the property. Mr. Kearney replied it is a combination of a lot of factors, including the pending lien on the property because of the LID. Councilor Snider referred to the unknown assessment amounts with no plans to go forward with the LID. Mr. Kearney said he heard from City Engineer Stone in July there are no plans for the LID, so the property owners cannot even arrange to have this work done independently.

Mr. Specht commented on the effort in 2006/07, which included preliminary plans and estimates associated with those plans. There were specific improvements proposed for every piece of property. The cost of those improvements resulted in the future potential assessment for each of the properties to be applied upon completion of the LID. This information should be available in city documents. Money was spent to get through to the preliminary engineering studies to price the cost of the improvements and allocate the assessments appropriately.

Mr. Kearney pointed out that when this was adopted, it was done under an emergency measure. He also was under a non-remonstrance, so he was precluded from arguing about the formation of the LID. This non-remonstrance was a condition of the Site Development Review

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(SDR), and this SDR has since expired, which is why he is now arguing against the LID. In response to a question from Councilor Buehner, he said they paid for an extension on the SDR and the extension was granted. When lenders saw there was a potential \$140,000 lien on the property, they said they would not finance construction of the project.

In response to a question from Councilor Woodard, City Engineer Stone advised that when an LID is formed, an engineer's report is prepared. This report gives a rough description of where the project is, who is going to pay for it, what are the improvements and identified estimated costs. One alternative is to front the costs by the city. City Manager Wine said an LID is a financing mechanism. The city would be in a position of selling bonds to pay for the improvements.

Council President Henderson asked if the LID could be changed. City Engineer Stone advised that the council adopted a resolution forming the LID. Specific properties required to reimburse the costs of the improvement district are named in this resolution. (*City Recorder's Note: See Resolution No. 06-10, Resolution No. 07-75 and Ordinance No. 08-03.*) If the boundaries are to be changed, then City Engineer Stone recommended that the council conduct another public hearing.

Councilor Buehner said there were several other properties along Baylor Street originally proposed to be included in the LID that were excluded from the LID when it was formed. Councilor Buehner discussed with Mr. Specht the fact that some of his properties were also eventually excluded from this LID, which were on Baylor Street. The street improvement proposed in the LID would not extend to Baylor Street.

Councilor Snider asked City Engineer Stone if he has received any input from any other property owners inside the current LID that are not here tonight. City Engineer Stone said he has not heard from any other property owners; however, the only way to get input from all the property owners would be to notice a public hearing.

Councilor Snider said he was troubled with the concept that this created and imposed burdens on individual landowners with nothing being done for five years. City Engineer Stone and City Manager Wine commented that this is an unusual situation. Councilor Snider asked for consensus from the other council members to conduct a public hearing to consider removing Tax Lots 7600 and 7601 from the LID.

City Manager Wine summarized that there is not a lot of flexibility in the law associated with the mechanics of changing an LID. The city would need to potentially abandon the LID and then reform it. City Engineer Stone said the city attorney would need to weigh-in, but he thought the council could consider changing the boundaries of the LID; however, proper notification must be given and a hearing conducted.

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Councilor Snider said he believes this represents an undue burden on property owners and making them wait longer is unfair. An alternative might be to pre-assess and move forward with the infrastructure improvements specified within the LID.

Mr. Kearney made a suggestion affecting his properties. He noted the 72nd intersection is being improved to handle increased traffic using gas tax and traffic impact fees. He said his property is similar in that the road will be widened to put in a bike lane and accommodate more vehicles. This benefits the city and does not benefit his property. He said this improvement could be funded by gas tax or traffic impact fees and would be more equitable. He responded to a question from Councilor Woodard and advised the perimeter improvements on his property have already been made.

Mr. Nadri's property has 75 feet of frontage.

Engineering Manager McMillan commented on the triangular piece of property owned by Mr. Kearney. Land use decisions were made on this property before Mr. Kearney purchased the parcel. Engineering Manager McMillan said the code requires that improvements should be made to a certain street width with a set aside for an 11-foot right-of-way preserve strip. This was why there was a non-remonstrance in the SDR. At the time, the city had the developer do the improvements around the perimeter of this property. She said Tom Sterns' development did these improvements when they built an office building at 68th Avenue. The floor area ratio (FAR) was taken off the site now owned by Mr. Kearney and transferred to Mr. Sterns' property, which is why he was required to build the improvements. The city purchased the right of way along the Kearney site and there is a documented land use decision that this street is to be built to the ultimate width. This is stated within the land use case. Regardless whether this property is removed from the LID, it will be Kearney's property's burden to build this in some manner when the property is developed. When the TVF&R building was constructed, the builder chose to build the full improvements. The Kearney property was pulled into the LID due to this history – it looks odd and appears not to be contiguous. However it is contiguous if you follow the curb lines.

In response to a question from Councilor Snider, Engineering Manager McMillan clarified that the requirements are tied to the original land use (the Tom Stern development), which is when the original curb and sidewalks were built. Councilor Snider commented that this would be true for anything – what the LID provides is a funding mechanism so the work can be done. He said that would be irrespective because the land use requirements would still drive the fact that the work would have to be done. Engineering Manager McMillan said this property (and other properties) could be removed from the LID and the property owner could construct the improvements. She said the point is those improvements will have to be made for the property to develop.

Mr. Specht said that it seemed to him that if the widening of Dartmouth was a requirement when Mr. Kearney purchased the land, the land use approval for that development was public

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record and the conditions of approval were known at that time. So, the widening of Dartmouth, as a requirement of any future development would have been known and was available to the buyer. This was not a surprise.

Mr. Kearney said that it was a surprise to them because when they had their approval issued on November 7, 2007, they had a three-week period in which to challenge or appeal. During that appeal period, they asked city staff person Greg Berry whether there any LIDs coming because that was identified in their SDR (Item No. 29). Mr. Berry told them there were no LIDs planned. However, from what Mr. Specht has said, in 2005 and 2006, they were working on this LID. Three weeks after Mr. Kearney's appeal period ended for the SDR, they received the notice of the imminent LID affecting this property.

Mr. Specht commented he thought the condition for widening the road was attached to Mr. Sterns development. Mr. Kearney said this was not a condition for widening but to reserve the right of way for the future.

Council President Henderson advised the city will review this matter. Property owners will receive notice of any future consideration by the council. City Manager Wine added that staff will conduct additional research based on some of the issues that have come up this evening.

5. BRIEFING ON AN INTERGOVERNMENTAL AGREEMENT TO PROVIDE SEWER SERVICE TO RIVER TERRACE

Sewer/Water/Storm Senior Project Engineer Murchison presented the staff report. The purpose of the IGA is to reimburse Clean Water Services and the City of Beaverton for the construction of the sewer line that is part of a Washington County road project along Scholls Ferry Road. Staff recommends that the council review the IGA. Staff will return to the council in September to consider the approval of the IGA.

6. DISCUSSION ON TOPICS FOR UPCOMING COMMUNITY SURVEY

Assistant City Manager Newton presented the staff report. This is the opportunity for the council to weigh-in on the topics or issues of interest. The survey this year will be more robust than last year. Ms. Newton advised the online version of the survey would especially play a bigger role and focus groups would be utilized to attempt to target a variety of community demographics.

Council comments regarding survey topics:

- Councilor Snider is interested in finding out how people feel about the city securing the additional 4 mgd for water through the partnership with Lake Oswego.

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- There was some discussion whether there are plans are to ask any questions about the public art since the last communication from the council to the artist was to develop an alternative to his original proposal. The art concepts could be part of the survey process; i.e., the focus group.
- Councilor Buehner supported an inquiry about the public’s view on the four-day work week at City Hall and the Thursday closure of the Library.
- Council President Henderson would like this survey to parallel (somewhat) the previous survey for comparison. Assistant City Manager Newton indicated there plans to have areas of similarity and also new topics to probe on other issues.
- Councilor Woodard commented on the success of the National Night Out and ways to build on this; i.e., contact people who hosted the event in their neighborhood to determine if they would be willing to get people out for a Town Hall meeting. Through his investigation he found out that AARP would offer their “people poll” technology to the city at no cost. He spoke to finding opportunities to bring in people to interact who typically do not. Assistant City Manager Newton referred to the scientific aspect of the survey and the need to tap into the variety of demographics. The “people poll” would represent another data point.
- There was discussion about a “cafeteria plan” segment of the survey process. Councilor Snider thought it would be interesting to have people select whether or not they even wanted to have certain services provided. Assistant City Manager Newton advised service priority is an area on the survey.

Council President Henderson recessed the City Council meeting and convened the City Center Development Agency meeting.

7. **CONSIDER A RESOLUTION AWARDING A TARGETED IMPROVEMENT PROGRAM MATCHING GRANT**

Redevelopment Project Manager Farrelly presented the staff report. The proposed resolution would award the Agency’s second Targeted Improvement Program Matching Grant. The grant is to go to a unique business that is a potential catalyst to attract new customers and businesses to Main Street. The recommended business is Jeffrey Allen Home Décor. Redevelopment Project Manager Farrelly gave background on the proposed grant recipient’s business operations. A PowerPoint slide presentation showed a rendition of the proposed business on Main Street; this presentation is filed with the packet materials.

Redevelopment Project Manager Farrelly reviewed the proposed improvements to the building for the business.

Staff and the Urban Renewal Improvement Projects Joint Committee offered that this business has a strong commitment to good urban design and a real potential to rebrand downtown and Main Street. On July 30, the Joint Committee formally considered the application and found the

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owners experience and business plan to be strong and recognized the matching grant will leverage almost three times the amount of grant money in private investment. The Joint Committee recommended to the City Center Development Agency Board approval of a \$75,000 matching grant.

Councilor Buehner, who serves on the Joint Committee said she was extremely impressed with the proposal and the committee strongly recommended CCDA Board approval.

Mr. Peter Luong of Jeffrey Allen Home Décor, owner of the building, discussed with council his plans for the business and property in the downtown. They specialize in unique antique furnishings and décor and attract people from all over the state.

Motion by Director Snider, seconded by Director Buehner, to approve CCDA Resolution No. 13-03.

CCDA RESOLUTION NO. 13-03 -- A RESOLUTION AWARDDING A TARGETED IMPROVEMENT GRANT TO JEFFREY ALLEN HOME DÉCOR

The motion was approved by a unanimous vote of City Center Development Agency Board members present.

Chair Cook	Absent
Director Buehner	Yes
Director Henderson	Yes
Director Snider	Yes
Director Woodard	Yes

CCDA Director Henderson announced the CCDA Executive Session:

- **EXECUTIVE SESSION:** The Tigard City Center Development Agency will go into Executive Session to discuss real property negotiations under ORS 192.660(2) (e). All discussions are confidential and those present may disclose nothing from the Session. Representatives of the news media are allowed to attend Executive Sessions, as provided by ORS 192.660(4), but must not disclose any information discussed. No Executive Session may be held for the purpose of taking any final action or making any final decision. Executive Sessions are closed to the public.

(Executive Session convened at 9:08 p.m. and concluded at 9:42 p.m.)

8. **NON AGENDA ITEMS:** None.
9. **COUNCIL LIAISON REPORTS:** None.

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10. ADJOURNMENT – 9:42 p.m.

Motion by Councilor Snider, seconded by Councilor Buehner, to adjourn.

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

Mayor Cook	Absent
Council President Henderson	Yes
Councilor Buehner	Yes
Councilor Snider	Yes
Councilor Woodard	Yes

/s/Catherine Wheatley
Catherine Wheatley, City Recorder

Attest:

/s/John L. Cook
Mayor, City of Tigard

Date: November 26, 2013

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