



MINUTES
City Council Work Session Meeting
Wednesday, January 29, 2020 City Hall- Council Chambers, 39250
Pioneer Blvd., Sandy, Oregon 97055 6:00 PM

COUNCIL PRESENT: Carl Exner, Councilor, Jeremy Pietzold, Council President, John Hamblin, Councilor, Laurie Smallwood, Councilor, Jan Lee, Councilor, Stan Pulliam, Mayor, and Bethany Shultz, Councilor

COUNCIL ABSENT:

STAFF PRESENT: Jordan Wheeler, City Manager, Jeff Aprati, City Recorder, and Tyler Deems, Finance Director

MEDIA PRESENT:

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- 1. Roll Call**
- 2. SPECIAL DISTRICT FORMATION DISCUSSION**

INTRODUCTORY DISCUSSION:

Stan Pulliam, Mayor, thanked staff for handling community concerns regarding the recent wastewater rate increase, and the communications sent out via social media and the City website. The Mayor stressed the importance of unanimity among Council members, and indicated he would attempt to find points of consensus.

Jordan Wheeler, City Manager, indicated the main questions that remain for discussion include the particular combination of services the special district would be charged with providing, and the boundaries of the district (which directly affect the required tax rate). Mr. Wheeler presented estimated costs for different service combinations (aquatic center, recreation programs, multi generational recreation center, park facilities, senior services, etc.).

BOUNDARIES:

Jordan Wheeler, City Manager, presented various scenarios for district boundaries along with the resulting tax base for each scenario. The Council discussed the efficiency advantages of using boundaries from existing districts. Councilors discussed the possibility of district boundaries including the Sandy Library service area without the portion within Metro.

Stan Pulliam, Mayor, indicated that concerns were expressed by organizers of the prospective Hoodland Community Park regarding possible overlap of intended boundaries. The consensus

of the Council is that a Sandy district would not attempt to include the Hoodland area.

The Council generally agreed with upon two possible district boundary scenarios:

1. Extending west to the Metro boundary, north to the OTSD boundary, east to Sandy Library service area boundary, and south to the Eagle Creek CPO boundary.
2. Encompassing the Sandy Library service area without the portion within the limits of Metro.

The consensus of the Council was to not include Estacada or Welches in the district at this time. Staff indicated that the board of the district could seek to expand its boundaries to include additional territory in the future, which would require a further public process and election.

SERVICES:

Staff presented various options for district services along with estimated costs. While increased levels of service would require a higher district property tax rate, more expansive district boundaries would increase the tax base, thus lowering the property tax rate needed to fund the desired services.

Staff pointed to the increased complexities of including parks within the proposed district, given the challenges inherent in asking voters to pay more in taxes for parks they currently use cost-free.

The Council discussed the option of retaining ownership of certain parks, including Meinig Park, and transferring the rest to the district. It was acknowledged that retaining some parks would require ongoing maintenance costs. The idea of retaining the house at Bornstedt Park and the Community Campus Annex building was also discussed.

The Council stressed the advantages of presenting a simple, easy to understand proposal to voters, and agreed on the need to trust the future district board, which will likely be comprised of local individuals committed to the success of Sandy's parks. It was thus agreed that if the district includes parks as part of its scope of services, there should not be an attempt to retain City ownership of certain parks. The City would retain ownership only over certain facilities, such as the Bornstedt Park house and the Community Campus Annex.

PUBLIC OUTREACH:

The Council agreed on the need for further public polling to measure the scope of district services that voters would support (given the resulting impact on tax rates).

Stan Pulliam, Mayor, indicated his desire to appoint a member of the Parks and Trails Advisory Board to the workgroup spearheading public outreach and surveying for the district formation effort. The Council concurred.

The Council agreed that establishing the district through the petition process was infeasible due to lack of time. It will thus be necessary to seek the County's agreement to exercise its own authority to place the district formation question before voters. The Council agreed there would be a need for active coordination with County Board members - including meeting in-

person to build engagement and begin securing their support.

FURTHER DISCUSSION:

Questions were asked regarding system development charges in the event a district including parks is established: would SDCs collected by the City be transferred to the district? Staff indicated that the particulars of SDC division would be subject to future negotiations with the district. The City may also choose to reduce SDCs, assuming the district would impose its own.

Laurie Smallwood, Councilor, asked whether it would be possible to use Urban Renewal funds to make improvements on the Community Campus. Staff confirmed that this would be possible.

Councilors expressed a desire to develop a property tax bill calculator that could be used by property owners to determine what their new bill would be should the district be established.

PUBLIC COMMENT:

Makoto Lane, Parks and Trails Advisory Board member:

- Mr. Lane asked why the Council feels the need to move quickly. Council members cited a desire to seize the opportunity to leverage the community interest that exists after the pool closing, which may diminish over time, and to take advantage of the anticipated high voter turnout and advantageous voter demographics at the November 2020 general election.
- Mr. Lane also asked how the City will ensure that Sandy is represented on the district board. It was explained that elections will occur, and decisions will need to be made prior to district formation regarding possible zones within the district. Sandy's population will likely result in relatively strong local representation on the board.
- Mr. Lane asked whether the City has considered having a private entity lease and operate the pool. Council members answered that it would not be likely to make economic sense.

Kathleen Walker, Parks and Trails Advisory Board Chair:

- Ms. Walker stressed the importance of proceeding in a deliberate, collaborative manner, incorporating as much input from members of the public as possible. She cited the expertise of current and former local leaders with parks experience, some of whom have serious concerns about the speed with which the City is moving on this issue and the lack of time to build consensus. Ms. Walker stated that the Parks and Trails Advisory Board should be actively providing input into the process, and is concerned that the Council may have already determined a path forward without the Parks and Trails Advisory Board's involvement. She also expressed concerns about forming a new layer of government.
- The Council agreed that community involvement is necessary to understand what the public wants and to build stakeholder buy-in. To secure approval from voters, the district will need active support and advocacy from local leaders and parks volunteers.

Presentation materials describing different possible service scenarios, district boundaries, and tax rates are attached to these minutes.

2.1. Special District Formation PPT

5 - 23

3. Adjourn



Mayor, Stan Pulliam



City Recorder, Karey Milne



Special District Formation Work Session

Special District Formation Work Session

- District Purpose
- District Boundary
- District Tax Rate
- Formation Process



Special District Type

ORS 198 / ORS 266

Parks & Recreation Districts (includes Aquatic Districts, Parks Districts, Recreation Districts)



Question 1

What is the purpose of the district?

- Aquatics/Pool
- Recreation (programming, events)
- New Community Center/Community Recreation Center
- Park development and park maintenance
- Senior Center and Services



Question 2

What is the cost to provide those services?



District Services Cost Estimates

	Year 1	Year 2	Year 3
Aquatics	\$623,827	\$1,083,772	\$1,206,750
Administration	277,066	291,171	307,177
Recreation	258,486	315,118	376,141
Rec Center	571,943	252,046	270,048
Parks - Sandy	386,798	400,830	450,808
Parks - Estacada	209,132	230,045	253,050
Seniors	388,794	412,028	440,360



District Scenarios

	Aquatics	Aquatics + Admin + Recreation	Aquatics + Admin + Recreation + Rec Center
Year 1	\$ 623,827	\$ 1,159,379	\$ 1,731,322
Year 2	1,083,772	1,690,061	1,942,107
Year 3	1,206,750	1,890,068	2,160,116



District Scenarios

	Aquatics + Admin + Recreation + Rec Center + Sandy Parks	Aquatics + Admin + Recreation + Rec Center + Sandy Parks + Estacada Paks	Aquatics + Admin + Recreation + Rec Center + Sandy Parks + Estacada Parks + Seniors
Year 1	\$ 2,118,120	\$ 2,327,252	\$ 2,716,046
Year 2	2,342,937	2,572,982	2,985,010
Year 3	2,610,924	2,863,973	3,304,334

Question 3

What is the proposed boundary?

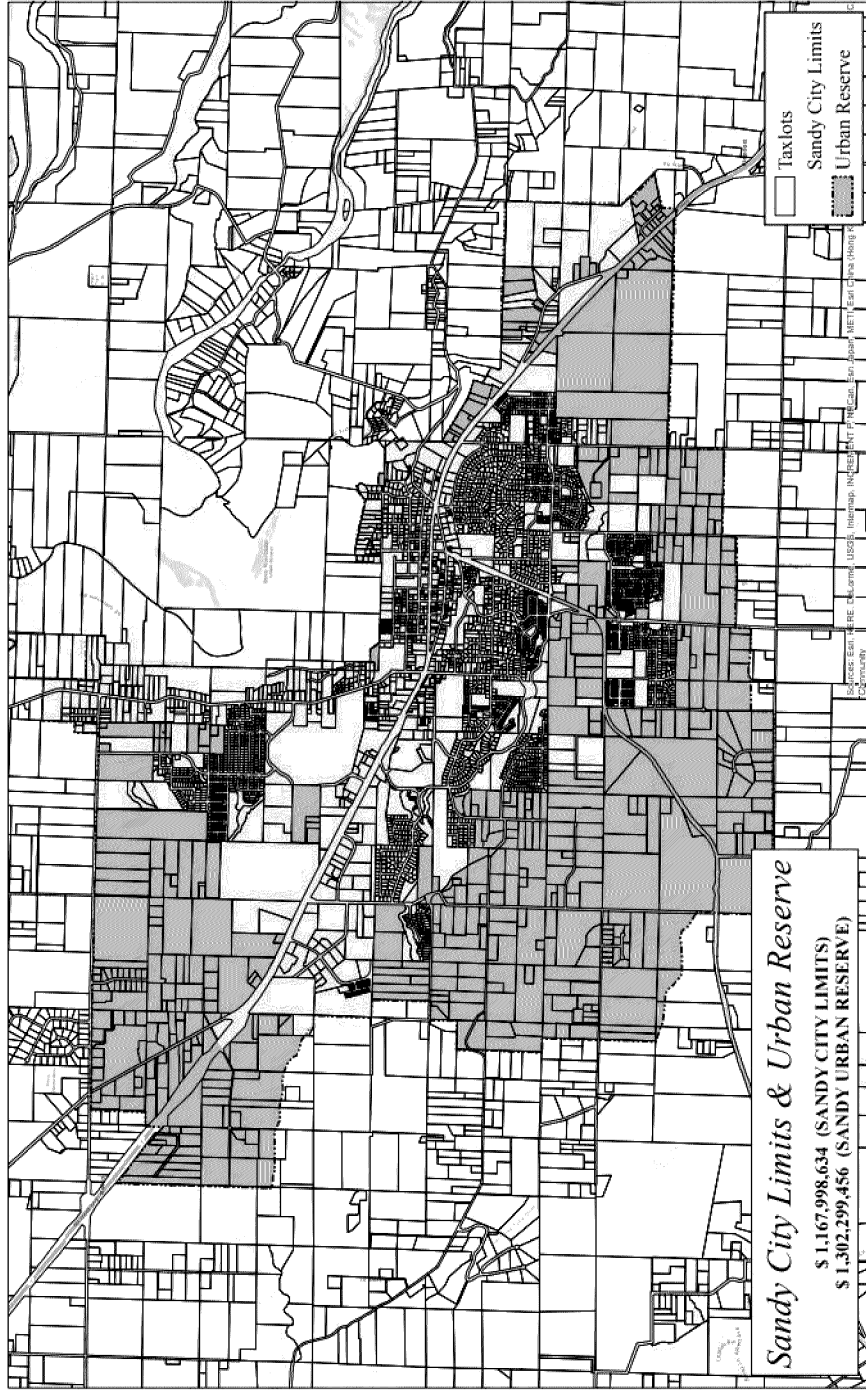
- Parameters/Factors:
 - Clackamas County
 - Oregon Trail School District
 - County Library District (Sandy)
 - Metro
 - Hoodland Parks & Rec District Proposal
 - Estacada

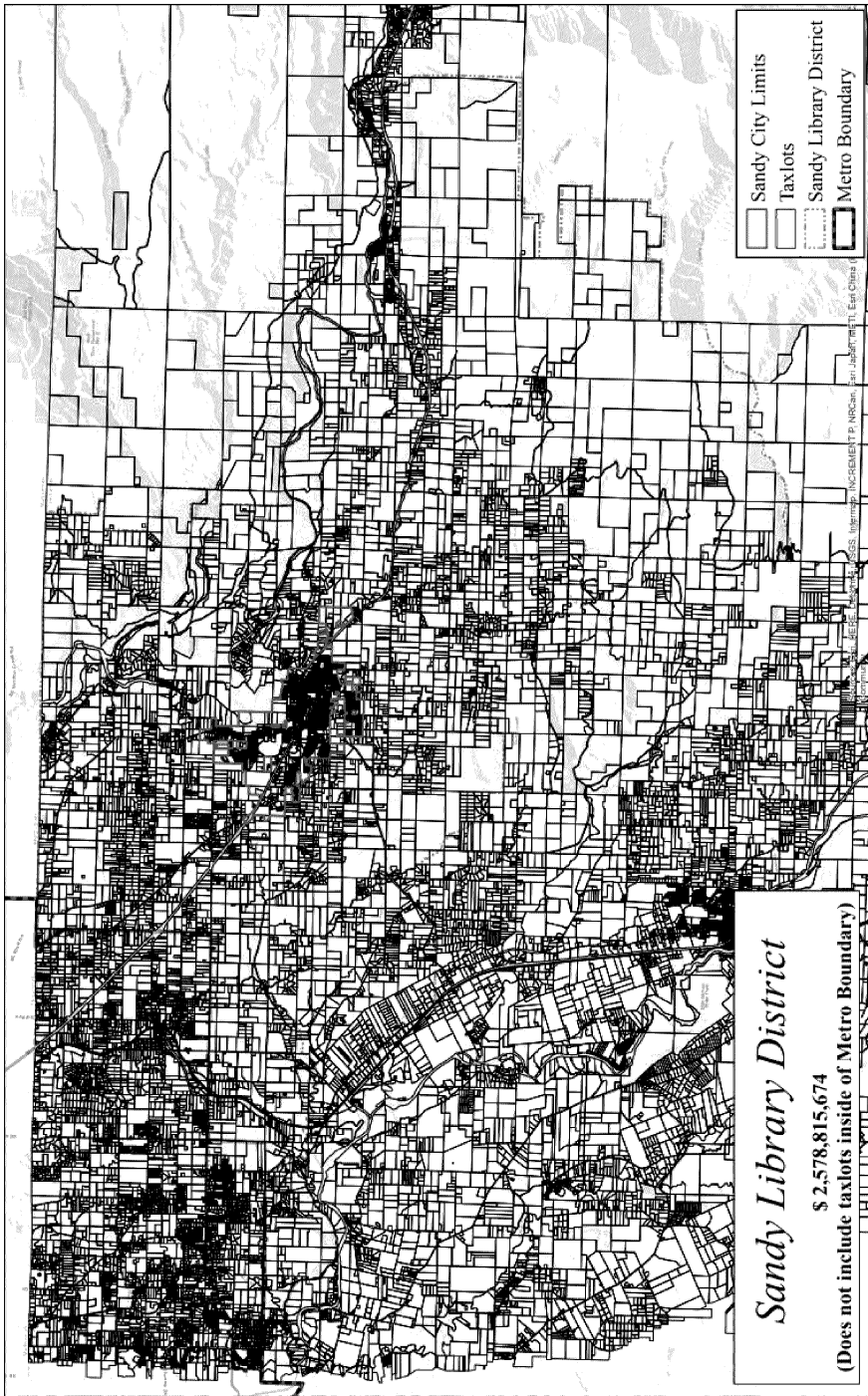


District Boundaries Options

Sandy	Estacada	Example 1	Example 2	Example 3	Example 4	Example 5
City limits	City limits	West - Metro North - OTSD East - Library South - Eagle Creek	Sandy Library District not including Metro	Sandy Urban Reserve	Oregon Trail School District less Welches School Territory	Oregon Trail School District
\$896,195,940	\$317,984,414	\$3,041,794,731	\$2,201,126,818	\$1,026,355,112	\$2,104,502,617	\$3,476,975,030







Sandy Library District

§ 2,578,815,674

(Does not include taxlots inside of Metro Boundary)

- Sandy City Limits
- - - tax lots
- Sandy Library District
- ▬ Metro Boundary

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Map of Sandy Library District showing city limits, tax lots, and metro boundary.

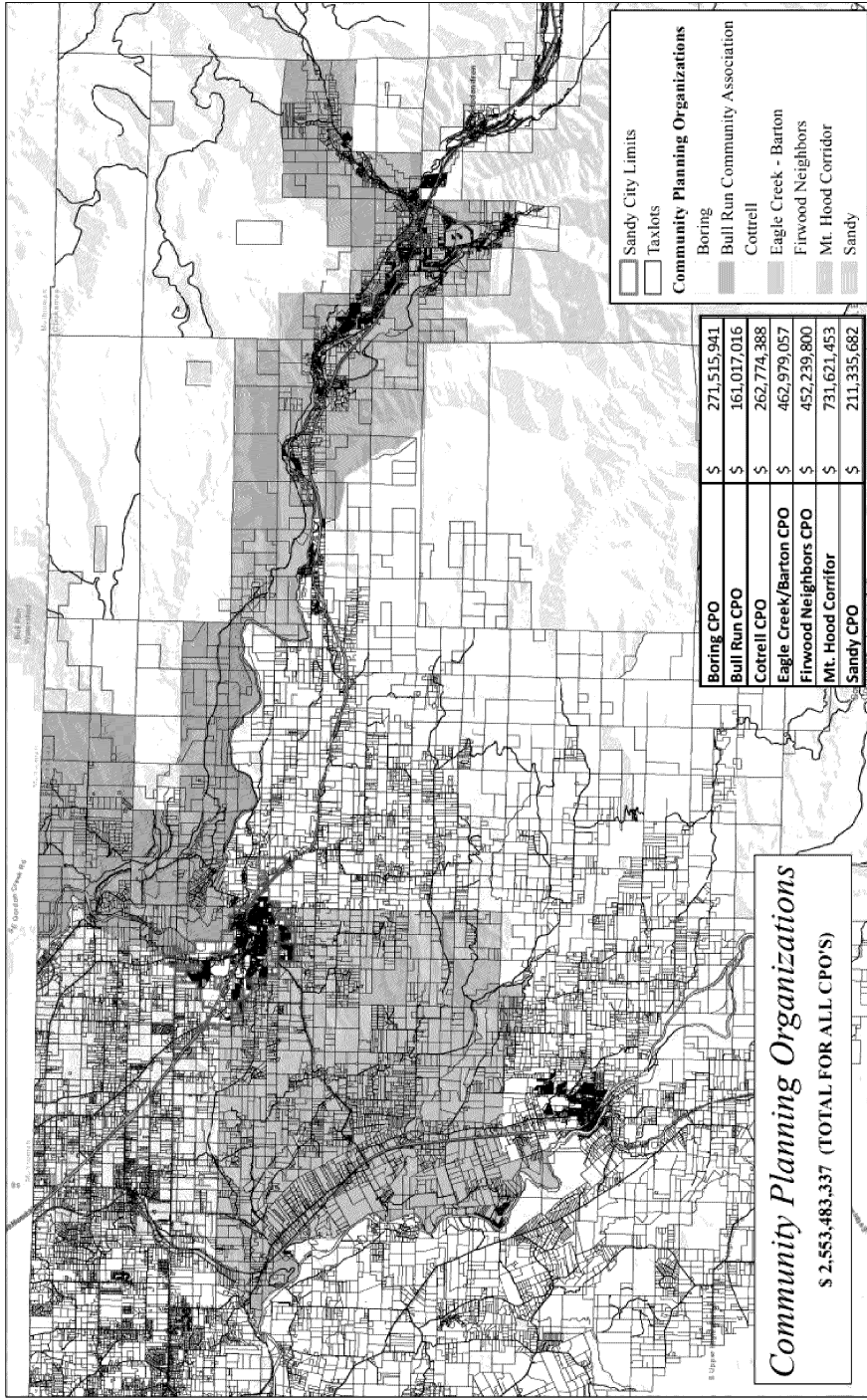
Map of Sandy Library District showing city limits, tax lots, and metro boundary.

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Question 4

What is the proposed tax rate for the district?

- Variables: District purpose and budget + boundary

Program Revenues - Expenditures = property taxes needed

Assessed Value in the District / 1000 x proposed tax rate =
Estimated property tax revenue



Tax Rate Needed

	Boundary Assessed Value (city) \$1,000,000,000	Boundary Assessed Value \$1,500,000,000	Boundary Assessed Value \$2,000,000,000	Boundary Assessed Value \$2,500,000,000	Boundary Assessed Value \$3,000,000,000	Boundary Assessed Value (OTSD) \$3,500,000,000
Aquatics	Year 1: 0.65 Year 3: 1.16	0.43 0.77	0.32 0.58	0.26 0.47	0.22 0.39	0.19 0.33
Aquatics + Recreation	Year 1: 1.18 Year 3: 1.81	0.79 1.21	0.59 0.91	0.48 0.73	0.40 0.61	0.34 0.52
Aquatics + Recreation + Rec Center	Year 1: 1.77 Year 3: 2.07	1.18 1.38	0.88 1.04	0.71 0.83	0.59 0.69	0.51 0.60
Aquatics + Recreation + Rec Center + Parks (Sandy)	Year 1: 2.16 Year 3: 2.51	1.45 1.67	1.08 1.26	0.87 1.01	0.72 0.84	0.62 0.72
Aquatics + Recreation + Rec Center + Parks (Sandy & Estacada)	N/A	Year 1: 1.58 Year 3: 1.83	1.19 1.38	0.95 1.10	0.79 0.92	0.68 0.79
Aquatics + Recreation + Rec Center + Parks (Sandy & Estacada) + Seniors	N/A	Year 1: 1.84 Year 3: 2.12	1.38 1.59	1.12 1.27	0.92 1.06	0.79 0.91

Impact to Property Owners

Tax Rate (per 1,000 of assessed value)	Annual Property Tax Increase
0.20	\$42.00
0.30	63.00
0.40	84.00
0.50	105.00
0.60	126.00
0.70	147.00
0.80	168.00
0.90	189.00
1.00	210.00

**Average Assessed Value
(within City limits):**

\$210,000



Special District Formation Process

- District purpose, Boundary, Budget, Tax Rate(s) (Feb)
- Voter Polling (March)
- Review Poll Results, Hold public meetings
- Meet with County - County Initiated Formation process
- Economic Feasibility Statement Proposed District (Name, Boundary, Tax Rate) submitted



