



CITY COUNCIL MEETING

Monday, March 18, 2024 at 6:00 PM
Sandy City Hall and via Zoom

MINUTES

WORK SESSION – 6:00 PM

1. Transportation System Development Charge (SDC) Update

The City Manager and Development Services Director provided introductory remarks, and indicated staff's intention to return to the Council in the future for a comprehensive discussion on SDCs in general. Tim Wood with FCS summarized the staff report and presented slides, both of which were included in the agenda packet.

Council discussion ensued on the following topics:

- Recognition that a comprehensive update to the City's TSDC has not taken place since 2005
- Clarification on 'vehicle trips' versus 'person trips'
- The Council's need for a full list of transportation projects sorted into high, medium, and low priority to understand what would be funded by different SDC scenarios
- Recognition that the capital improvement plan will need to be updated at a future point
- Clarification on whether all projects on the reimbursement list are high priority
- Clarification on projects removed from the reimbursement list that were funded through the Vehicle Registration Fee
- Clarification that the full reimbursement amount is included in all four SDC scenarios
- Recognition that the AFRD proposal would reimburse the operations component of the Street Fund, while SDCs address capital funding; double-charging must be avoided
- Explanation that project priority levels were established through the TSP process
- Need for more recent SDC figures for comparison
- Discussion on the possibility of including more projects in the capital improvement plan and then discounting rates later as necessary
- Importance of using comparison cities that are growing quickly
- Importance of understanding ratios of fees to home purchase costs for comparison cities, and the size of other capital improvement plans
- Importance of housing affordability and of understanding the full context of fees, and the full cost of permitting new homes in Sandy
- Discussion of other street funding mechanisms in other cities
- Distinctions between the master plan project list and the capital improvement plan
- Timing of other SDC update needs including water and wastewater
- Suggestion to adopt the Scenario C methodology and then consider whether to implement it in a phased manner

- Recognition that the Street Fund does not receive rate revenue, unlike water and wastewater
- Recognition that the market will ultimately drive housing costs
- Questions regarding the trips per multifamily unit listed in the report; suggestion to adjust the figure to account for square footage
 - This could potentially be done in the future after methodology adoption
 - Difficulties would be encountered with regard to budget projections and square footage calculation methods
 - Suggestion that the ratio of multifamily to single family should be closer to 70% rather than 40%
- Emphasis on the need to consider parks SDCs as part of this discussion
- Reminder of the possibility of using urban renewal funds to incentivize development in certain scenarios when necessary
- Questions regarding staff's capacity to accomplish all the projects listed
- Importance of being consistent across different SDC methodologies
- Concern regarding discouraging development if SDCs are too high
- Suggestion to set SDCs at a level reflecting all transportation projects needed, and then discount in certain cases as necessary
- Concern about shifting cost burdens to current residents rather than developers

Following the discussion, staff reiterated that the next step would involve comprehensive Council consideration of the cost of permitting in Sandy in general, including all SDCs.

REGULAR MEETING – 7:00 PM

PLEDGE OF ALLEGIANCE

ROLL CALL

PRESENT

Mayor Stan Pulliam

Council President Laurie Smallwood (attending virtually)

Councilor Chris Mayton

Councilor Rich Sheldon

Councilor Kathleen Walker

Councilor Carl Exner

Councilor Don Hokanson

CHANGES TO THE AGENDA

(none)

PUBLIC COMMENT (3-minute limit)

(none)

RESPONSE TO PREVIOUS COMMENTS

(none)

CONSENT AGENDA

2. City Council Minutes: March 4, 2024
3. Revised IGA with State of Oregon for ePermitting Software
4. Revised IGA with Regional Water Providers Consortium
5. IGA with Clackamas County for CBX Server Services

With respect to the IGA with Clackamas County, discussion ensued on whether all overhead costs were factored into the compensation provided in the agreement, staff's reasoning for arriving at the compensation figure, CBX's open access model, CBX operational plans for connecting additional residents in the area, and the need for SandyNet to engage in master planning.

MOTION: Adopt the Consent Agenda

Motion made by Councilor Hokanson, Seconded by Councilor Mayton.

Voting Yea: Mayor Pulliam, Council President Smallwood, Councilor Mayton, Councilor Sheldon, Councilor Walker, Councilor Exner, Councilor Hokanson

MOTION CARRIED: 7-0

RESOLUTIONS

6. PUBLIC HEARING: Adoption of Advance Financing Reimbursement District for 362nd and Bell Extension

Abstentions:

(none)

Conflicts of Interest:

(none)

Staff Report:

The Public Works Director and Assistant Public Works Director summarized the staff report and delivered presentation slides, both of which were included in the agenda packet.

Public Testimony:

Frank Walker: represents the Miller Family Trust; stated that the proposal is a lot of information to consider in a limited time; sought a continuance of the hearing. Staff noted that property owners were notified of this hearing, but were not proactively notified of previous work sessions.

Bob Skipper: sought clarification on whether property owners would have to pay for sewer and water on the new road; sought clarification on the distinction between an AFRD and SDCs; sought assurances that AFRD payment could defray payment of SDCs in the future; sought clarification on the 5% interest provision.

Doug Castle: sought clarification that the AFRD is separate from system development charges which would not be automatically waived; sought clarification on whether repair of damage to an existing building would trigger AFRD payment (staff said it would not; only a land use approval would trigger payment); sought extension of the hearing; stated a desire for equity among properties with respect to apportionment. In response to questions, staff provided additional information on funding sources used for the road project, and timing of AFRD interest.

Eric Lundeen: asked for more detail on why the City utilized Street Operations funds to supplement the project and is now seeking to be reimbursed; suggested that grant funding should be sought. In response, staff provided additional detail on unsuccessful efforts to secure grants and the reasoning used to arrive at the AFRD proposal.

Julie Walker: asked when the 5% interest provision takes effect; stated that the City has disallowed the development of storage units and medical facilities on her commercially zoned property; stated that it seems as though these property owners are being asked to cover the cost overrun even though the new road benefits the whole community; stated that the new road is insufficiently sized.

The consensus of the Council was that the hearing should be continued to allow additional time for staff to meet with affected residents to provide more information and answer questions about how the AFRD would function. It was also noted that the Council wants to strike an appropriate balance with regard to development and Street Fund replenishment, that usage of Urban Renewal funds may be possible to incentivize development, and that replenishment of the Street Fund will benefit the city as a whole and allow for more infrastructure maintenance.

MOTION: Leave the record open and continue the public hearing to the April 15, 2024 City Council meeting.

Motion made by Councilor Mayton, Seconded by Councilor Walker.

Voting Yea: Mayor Pulliam, Council President Smallwood, Councilor Mayton, Councilor Sheldon, Councilor Walker, Councilor Exner, Councilor Hokanson

MOTION CARRIED: 7-0

NEW BUSINESS

7. Government Relations Update: 2024 Legislative Session

The City's government relations consultant, Nellie deVries, provided an update on the recent legislative session, and summarized the memorandum that was included in the agenda packet. It was noted that capital construction projects were handled through a different process than is typical, and that political factors came into play with respect to funding decisions. Ms. deVries summarized the efforts made to secure support for the City's funding request, and the wide dissemination of information about Sandy's wastewater needs. Other observations referenced the new Speaker of the House, more funding availability during the next session, and evolving political dynamics. It was agreed that another discussion with the Council will occur before the next legislative session.

REPORT FROM THE CITY MANAGER

- Thanks for the government relations update
- Thanks to Police Department staff for their work and dedication
- Update on Police Chief recruitment: will be advertised for four weeks, additional content on desired leadership characteristics will be added to the flyer, and additional vetting of candidates will be performed before the finalist stage
- Negotiations with the EPA are nearing a conclusion
- Spring break is upcoming
- Statements of Economic Interest are due on April 15th
- Staff will meet with those who testified at the AFRD public hearing and provide additional information

COMMITTEE / COUNCIL REPORTS

Councilor Hokanson

- Thanks for the update on the Police Chief recruitment
- Suggestion to hold an informational workshop for individuals interested in running for City Council

Councilor Exner

(none)

Councilor Walker

- No word yet from the County on financial support for the Hoodland Library's rent; members of the Library Advisory Board continue to be active on this matter and a recruitment for the board is currently underway
- Praise for Tickle Creek restoration efforts

Councilor Sheldon

- Praise for staff communications on social media

Council President Smallwood

- Praise for staff managing the Mt. Storm basketball program; improvements were made based on participant feedback

Councilor Mayton

(none)

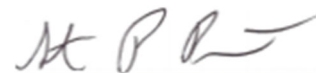
Mayor Pulliam

- Thanks for a productive discussion
- Praise for staff communications on social media

STAFF UPDATES

Monthly Reports: <https://reports.cityofsandy.com/>

ADJOURN



Stan Pulliam, Mayor



Jeffrey Aprati, City Recorder