



City of Sandy

Agenda

City Council Meeting

Meeting Date: Monday, July 18, 2022

Meeting Time: 7:00 PM

Page

1. CITY COUNCIL REGULAR MEETING

This meeting will be conducted in a hybrid in-person / online format. The Council will be present in-person in the Council Chambers and members of the public are welcome to attend in-person as well. Members of the public also have the choice to view and participate in the meeting online via Zoom.

To attend the meeting in-person

Come to Sandy City Hall (lower parking lot entrance).
39250 Pioneer Blvd., Sandy, OR 97055

To attend the meeting online via Zoom

Please use this link: <https://us02web.zoom.us/j/87199564259>

Or by phone: (253) 215-8782; Meeting ID: 871 9956 4259

Please also note the public comment signup process below.

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

4. CHANGES TO THE AGENDA

5. PUBLIC COMMENT

NOTE: the Council will take comments on recreational vehicle parking during a public hearing later in the agenda.

The Council welcomes your comments on other matters at this time.

If you are attending the meeting in-person

Please submit your comment signup form to the City Recorder before the regular meeting begins at 7:00 p.m. Forms are available on the table next to the Council Chambers door.

If you are attending the meeting via Zoom

Please complete the [online comment signup webform](#) by 3:00 p.m. on the day of the meeting.

The Mayor will call on each person when it is their turn to speak for up to three minutes.

6. RESPONSE TO PREVIOUS PUBLIC COMMENTS

7. CONSENT AGENDA

- 7.1. **City Council Minutes** 3 - 51
[City Council - 21 Jun 2022 - Minutes - Pdf](#)

8. ORDINANCES

- 8.1. **PUBLIC HEARING: Sandy Municipal Code Chapter 10 Amendments - RV Parking Ordinance 2022-17** 52 - 57
[Sandy Municipal Code Chapter 10 Amendments - RV Parking - Pdf](#)
[Email Testimony - Jerry Crosby](#)

9. NEW BUSINESS

- 9.1. **Measure 109 Regulation Options** 58 - 82
[Measure 109 Regulation Options - Pdf](#)
- 9.2. **League of Oregon Cities 2023 Legislative Priorities Discussion** 83 - 98
[League of Oregon Cities 2023 Legislative Priorities Discussion - Pdf](#)

10. REPORT FROM THE CITY MANAGER

11. COMMITTEE /COUNCIL REPORTS

12. STAFF UPDATES

- 12.1. [Monthly Reports](#)

13. ADJOURN

14. CITY COUNCIL EXECUIVE SESSION

The City Council will meet in executive session pursuant to ORS 192.660(2)(d) and (2)(h)



MINUTES
City Council Meeting
Tuesday, June 21, 2022 6:00 PM

COUNCIL PRESENT: Stan Pulliam, Mayor; Jeremy Pietzold, Council President; Laurie Smallwood, Councilor; Richard Sheldon, Councilor; Kathleen Walker, Councilor; Carl Exner, Councilor; and Don Hokanson, Councilor

COUNCIL ABSENT: (none)

STAFF PRESENT: Jordan Wheeler, City Manager; Jeff Aprati, City Recorder; Tyler Deems, Deputy City Manager / Finance Director; Andi Howell, Transit Director; Rochelle Anderholm-Parsch, Parks and Recreation Director; Jenny Coker, Public Works Director; and Ernie Roberts, Police Chief

MEDIA PRESENT: Sandy Post

1. CITY COUNCIL WORK SESSION - 6:00 PM

1.1. Council Rules Revision

10 - 19

Staff Report - 0590

The **City Recorder** summarized the staff report, which was included in the agenda packet.

Council discussion ensued on the following issues:

- The need to include specific language regarding expectations on social media
- Whether it is appropriate to require Council members to state the official position of the Council before offering their personal views
- The need for explicit disclaimers when personal views are being expressed
- What to do if no official Council position on an issue exists
- The importance of retaining the ability to express a dissenting opinion
- The responsibility of public officials to express their views in the interest of accountability to voters
- The importance of maintaining consistent public-facing messaging and supporting the majority decisions of the Council

- Context and history of this issue among Council members
- The importance of remaining focused on the future
- The importance of free speech
- The need to strike the requirement to proactively state the official position of the Council before adding one's own personal views
- The need to define the meaning of the phrase "representing the City"
- The possibility of adding aspirational language encouraging Council members to 'strive to reflect the majority views of the Council'
- The need to ensure that Council members may consult the City Attorney without always obtaining approval first
- Whether it would be workable or appropriate for responses to individual Council member questions to be copied to the entire Council
 - Concerns regarding compliance with public meetings law
 - Acknowledgement that protecting staff time and autonomy is important
 - Possibilities for staff exercising discretion in deciding whether to copy the Council on a response

The consensus of the Council was to table this discussion for consideration at a future work session.

[Staff Presentation Slides](#)

2. CITY COUNCIL REGULAR MEETING - 7:00 PM

3. Pledge of Allegiance

4. Roll Call

5. Changes to the Agenda
(none)

6. Public Comment

6.1.

Andrea Culver: The City of Portland's water filtration plant is not yet approved; her group is determined to oppose its approval; the planned plant will detrimentally impact local residents, it is too expensive, and faces legal hurdles; Sandy may not meet its deadlines with this plan and should explore other options.

6.2.

Paul Willis: read a written statement submitted for the record, which is attached to these minutes. The statement raised concerns about the City's decision to construct a pipeline to purchase filtered drinking water from the

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City of Portland's new filtration plant, specifically with respect to the cost effectiveness of the plan, whether Portland's new facility will actually be built, and whether Portland's new facility will be built in time to meet the regulatory compliance deadline in 2027.

[Written comments submitted during comment period - Paul Willis & Jack Edmondson](#)

- 6.3. Chris Verley: the City should explore groundwater sources; he is a former water operator in Eastern Oregon and would be willing to volunteer his time and expertise to help the City explore alternative methods

7. Response to Previous Public Comments
(none)

8. Consent Agenda

8.1. **City Council Minutes**

June 6, 2022

8.2. **Transit: Approval To Enter Into Contract Agreement with Passio Technologies, Inc.**

Staff Report - 0581

8.3. **Parks and Trails Advisory Board Appointments**

Staff Report - 0588

8.4. **2022 Mountain Festival Requests for Street Closures and Exclusive Use of Meinig Park**

Staff Report - 0593

Moved by Carl Exner, seconded by Kathleen Walker

Adopt the Consent Agenda

CARRIED. 7-0

Ayes: Stan Pulliam, Jeremy Pietzold, Laurie Smallwood,
Richard Sheldon, Kathleen Walker, Carl Exner, and Don
Hokanson

9. Old Business

9.1. **PUBLIC HEARING: Utility Rates / Fees / Charges**

21 - 41

Resolution 2022-15

Staff Report - 0591

The **City Manager** and **Deputy City Manager** delivered the staff report, which was included in the agenda packet. Presentation slides are attached to these minutes.

Council discussion ensued on the following issues:

- Whether SandyNet charges should be reflected in example bills
- The importance of expanding the utility assistance program to include charges beyond only wastewater
- Possibilities for providing assistance for those living in multi-family dwellings
- Evaluation of the Public Safety Fee to occur during the next budget process
- Possibilities for providing incentives for water conservation and for keeping water out of the wastewater system
- Regional Water Providers Consortium conservation master plan
- Need to promote conservation messaging
- Need to pursue other sources of funding whenever possible
- Whether it is possible to charge different rates for newer home or larger homes; whether tiered rates can exist for higher usage volumes; whether assistance programs can be age-based
- Importance of asset management and investment
- Critical infrastructure needs and deadlines faced by the City
- Assistance programs affect all ratepayers, since costs are fixed

Public Testimony

No testimony was provided during the hearing; one piece of written testimony was provided in advance and is attached to these minutes.

Recap

Staff will pursue amendments to the assistance program and whether changes to the rate structure are possible.

Councilor Smallwood indicated her intention to vote no due to inflation and impacts to ratepayers.

Moved by Jeremy Pietzold, seconded by Carl Exner

Close the public hearing

CARRIED. 7-0

Ayes: Stan Pulliam, Jeremy Pietzold, Laurie Smallwood,
Richard Sheldon, Kathleen Walker, Carl Exner, and Don
Hokanson

Moved by Carl Exner, seconded by Don Hokanson

Adopt Resolution 2022-15

CARRIED. 6-1

Ayes: Stan Pulliam, Jeremy Pietzold, Richard Sheldon,
Kathleen Walker, Carl Exner, and Don Hokanson

Nays: Laurie Smallwood

[Staff Presentation Slides](#)

[Written testimony received prior to hearing - Cedars Laundromat, LLC](#)

9.2. **PUBLIC HEARING: Repeal and Replacement of Sandy Municipal Code Chapter
8.35**

42 - 49

Ordinance 2022-12

Staff Report - 0580

The **City Manager** summarized the staff report, which was included in the agenda packet.

Public Testimony

(none)

Council Discussion

- Clarification that camp fires are prohibited under Title 8 of the municipal code
- Camping in bus shelters should be considered
- Case law on this issue will continue to evolve, and it is important to get ahead of the changing requirements
- Concern regarding impacts on industrial and commercial areas and suggestions regarding further restrictions in those areas; acknowledgement that some allowances must be made to achieve compliance
- Note that the existing code language is unconstitutional and unenforceable

Moved by Kathleen Walker, seconded by Richard Sheldon

Close the public hearing

CARRIED. 7-0

Ayes: Stan Pulliam, Jeremy Pietzold, Laurie Smallwood,
Richard Sheldon, Kathleen Walker, Carl Exner, and Don
Hokanson

Moved by Jeremy Pietzold, seconded by Richard Sheldon

Approve the first reading of Ordinance 2022-12

CARRIED. 7-0

Ayes: Stan Pulliam, Jeremy Pietzold, Laurie Smallwood,
Richard Sheldon, Kathleen Walker, Carl Exner, and Don
Hokanson

Moved by Laurie Smallwood, seconded by Richard Sheldon

Approve the second reading of Ordinance 2022-12

CARRIED. 7-0

Ayes: Stan Pulliam, Jeremy Pietzold, Laurie Smallwood,
Richard Sheldon, Kathleen Walker, Carl Exner, and Don
Hokanson

[Staff Presentation Slides](#)

10. New Business

10.1. Authorization of Repairs to Strawbridge Parkway

Resolution 2022-16

Staff Report - 0592

The **Public Works Director** summarized the staff report, which was included in the agenda packet. She added that immediately before the meeting, she was notified that an additional \$20,000 above the initial estimate will be required to complete repairs.

Council discussion ensued on the following topics:

- Thanks that ARPA funds were available, though it is unfortunate they have to be used for this purpose
- Thanks that contractors were able to deploy quickly to perform repairs
- Further investigations of the site, and of other locations where the same vintage pipe has been installed, will be performed to identify any other issues
- Reuse of the previously-purchased liner should be possible
- Improvements to the wastewater system reducing inflow and infiltration may have contributed to the situation
- Agreement on the need to add the additional \$20,000

Moved by Jeremy Pietzold, seconded by Richard Sheldon

Adopt Resolution 2022-16

CARRIED. 7-0

Ayes: Stan Pulliam, Jeremy Pietzold, Laurie Smallwood,
Richard Sheldon, Kathleen Walker, Carl Exner, and Don
Hokanson

Moved by Don Hokanson, seconded by Jeremy Pietzold

Authorize the City Manager to enter into an agreement with Oxbow Construction for the Strawbridge Parkway stormwater line and sinkhole emergency repair in an amount not to exceed \$220,000, pursuant to ORS 279B.080(1)

CARRIED. 7-0

Ayes: Stan Pulliam, Jeremy Pietzold, Laurie Smallwood,
Richard Sheldon, Kathleen Walker, Carl Exner, and Don
Hokanson

10.2. **Election to Receive State Shared Revenues**

Resolution 2022-13

Staff Report - 0584

The **Deputy City Manager** summarized the staff report, which was included in the agenda packet.

Moved by Kathleen Walker, seconded by Don Hokanson

Adopt Resolution 2022-13

CARRIED. 7-0

Ayes: Stan Pulliam, Jeremy Pietzold, Laurie Smallwood,
Richard Sheldon, Kathleen Walker, Carl Exner, and Don
Hokanson

11. Report from the City Manager

- Longest Day Parkway and Noah's Quest are upcoming
- Groundbreaking ceremony for 362nd / Bell upcoming
- Fireworks upcoming on July 4th
- July 5th meeting is cancelled

12. Committee /Council Reports

Councilor Hokanson

- Thanks to staff for work on the Council Rules
- Acknowledgement of necessary infrastructure improvements, and accompanying rate adjustments

Councilor Exner

- Took part in a recent discussion on youth and drugs
- Concern regarding ODOT sidewalk construction during the Mountain Festival
- Clackamas Watershed Council meeting upcoming

Councilor Walker

- Thanks to staff on work on camping regulations
- Acknowledgement of upcoming community events
- Community Center programming continues to grow
- Library continues to be busy

Councilor Sheldon

- Concern regarding pedestrian safety at a crosswalk on Dubarko
- Note on the importance of responding to the public comments expressed

Councilor Smallwood

- Concern regarding pothole on HWY 26; we could possibly fill it ourselves and bill ODOT

Council President Pietzold

- Thanks to public for their testimony
- Acknowledgement of need for infrastructure redundancy and emergency preparedness

- Concern regarding a trailer on Bluff Rd

Mayor Pulliam

- Thanks to public for their testimony; understanding of the reluctance to align with Portland
- Acknowledgement of upcoming community events
- Thanks to staff on work on camping regulations
- Note on upcoming improvements to lower Meinig parking lot
- Three former Councilors have been invited to the 362nd / Bell groundbreaking ceremony
- Note on upcoming employee appreciation event
- Appreciation to Clackamas County Bank on fireworks sponsorship

13. Staff updates

13.1. [Monthly Reports](#)

14. Adjourn

15. CITY COUNCIL EXECUTIVE SESSION

The City Council met in executive session pursuant to ORS 192.660(2)(d).

Mayor, Stan Pulliam

City Recorder, Jeff Aprati

A stylized, light gray line-art illustration of a mountain range with several peaks of varying heights, serving as a background for the title text.

Council Rules Update

City Council Work Session

June 21, 2022

Background

- Updating the Council Rules is a Council Goal for this biennium
 - Existing Council Rules passed by resolution in 2015
 - Past efforts have been made to amend; no changes adopted
 - This Council wanted a fresh start, using the League of Oregon Cities Model Rules as a baseline
 - In subsequent months, Council has identified several specific topics needing particular attention and/or revision

New Draft

- Staff used the LOC Model Rules as a base and tailored them to Sandy
 - **Green**: edits to the model to reflect our standard practices
 - **Blue**: retention of important parts of existing rules not in the model
- Omitted text preempted by Charter & state law (avoid potential conflicts)
- Full change log included in staff report with notations
 - If it's not in the change log, that means we kept it as-is
- Comprehensive track changes draft included in agenda packet with:
 - Clean copy of new draft
 - Old rules with annotations
 - City Charter

Goals for Tonight

1. Discuss and provide direction to staff on the four main topics of interest:
(1) statements representing the City; (2) 'code of conduct' language; (3) Council interactions with staff; (4) including public communications to Council in agenda packets
 2. Time permitting, provide feedback on other aspects of the new draft
- After tonight's work session, two possible paths forward:
- If Council is generally satisfied with the draft or has limited edits, staff can make revisions as requested and bring it back for adoption
 - If more exhaustive revision is needed, staff can support the existing subcommittee (the Mayor and Councilor Hokanson) in developing a new draft for Council consideration

Public Statements Representing the City

- When a Council member appears as a representative of the City to give a statement, they will only state the official Council position. (page 33; from LOC model)
- If a Council members appears in a personal capacity to give a statement on an issue, they will first state the official Council position. When they add their own remarks/position, they will clearly identify them as such. (page 33; from existing rules)
- In lobbying situations, Council members will avoid expressions of personal dissent from an adopted Council policy. (page 33; from existing rules)

Council Interactions with Staff

- Council will not interfere with day-to-day administration of business, which is the responsibility of the City Manager (page 35; from LOC model)
- Council will limit requests for information from staff to those questions that may be answered readily as part of staff's day-to-day responsibilities. Questions of a more complex nature shall be directed to the City Manager. (page 35; from LOC model)
 - Council approval required before staff spends significant time (1 hour) answering questions or conducting policy research. (page 35; from LOC model & existing rules)
 - Staff responses to individual Council member inquiries will be copied to all Council members for their information. (page 35; from existing rules)

Decorum ('code of conduct')

- Language from “Boards and Commissions Code of Conduct” (9/21/2020) (pages 32-33)
- In meetings:
 - Civility and professional during discussions
 - No personal, purposefully offensive comments
 - Create a welcoming and respectful environment for public
- Outside of meetings:
 - Council members are representatives of the City
 - Courtesy and respect when discussing city business
 - Civility, respect, and accuracy on social media

Public Communications in Council Packets

- Unsolicited communications to the City Council concerning City business and City policy matters that are received by 12:00 p.m. on the Wednesday preceding a Council meeting shall be forwarded to the Council in the agenda packet (page 8; edited from LOC model)
 - The easiest way to accomplish this logistically would be for staff to include all communications to the Council about City business/policy in a database (regardless of whether they pertain to a specific agenda), and provide a link to the database in each agenda packet, similar to the Monthly Reports portal
 - Could include: (1) emails to full Council; (2) messages from Contact Us portal; (3) messages in Sandy Speaks 'suggestion box;' (4) audio files from Council voicemail line



Other Discussion?

Next Steps

Sandy Council Meeting June 21, 2022
Public Testimony
Paul Willis & Jack Edmondson

I would like to talk about Sandy water rates and the Portland Water Bureau's [PWB] Filtration Plant. In June 6, 2022 Council Meeting, the Council revisited how they would proceed in obtaining an additional water supply to meet future needs, as new cost information was then available. It was voted to obtain some of Sandy's water supply from the new PWB proposed filtration plant located on Carpenter Ln, by running a new pipeline from Sandy to the filtration plant, so that water quality standards could be met by Sept. 2027 and new costing information indicated this would be the most cost effective path.

It seems that this decision was predicated on three things – 1] it was the most cost effective; 2] the proposed filtration plant would be built; and 3] the filtration plant would be built in time for Sandy to meet the Sept 2027 compliance date.

Let's look at these three items..

1. Cost effectiveness:

- a. in 2018 PWB got the filtration plant approved by the Portland City Council at a price tag of \$350M and soon after said they forgot to include the cost of the new water pipelines to the tune of 200 to \$300M. Currently the cost is \$1.4B w/o including escalation. The final cost could approach or exceed \$2B.. the increase will be passed on to Sandy and other wholesale customers. And wholesale customers are leaving PWB because of their rate increases.
- b. As you mentioned in your June 6th meeting, it is hard to pin down PWB on the costs that you will be ultimately paying. PWB has or will eliminate their minimum gal/day requirements, but they have to cover their cost, so it is most likely, from a business perspective, they cannot give you a fixed cost over 20 or 30 years...there is going to be the "fine print" that allows them to do adjustments.
- c. Gresham was going to be required to pay PWB \$100M towards the new plant if they stayed a wholesale customer, so they opted out. Has Sandy been asked to pay such a requirement and has this been figured into your cost analysis?
- d. The Sandy water rate increases, presented in the June 6th meeting, were about 500% over a 5 year period from 2022 to 2027. This is putting a lot of monetary pressure on the Sandy residents. And this will be ever increasing.

2. Filtration Plant will Be Built.

- a. The talk at the June 6 meeting, was that the plant will be built and your actions were predicated on this assumption. I would ask, have you done a risk and probability analyses to determine what the risks and probabilities are in the plant being or not being built? The plant does not have land use approval for its construction. Currently the plant cannot be built. Multnomah County may deny PWB's request for Conditional Land Use Approval. What then? What is Sandy's backup plan for its residences?
- b. Should Sandy wait to see if the plant will be built before signing any long term contract with PWB?

3. Plant Built in Time to Meet Sept 2027 Compliance Date.

- a. Sandy needs PWB to meet their Sept date and if they do not Sandy doesn't. PWB's schedule is tight and they have not even completed their facility design to submit to Multnomah County for land use approval.
- b. Schedules slip in the best conditions. If PWB's slip they may get a hand slap from OHA or EPA, but if Sandy slips they will probably have to pay a fine until PWB completes the project and connects Sandy and connecting Sandy to the Plant may not be their highest priority.
- c. Again where is the risk analysis that the plant will be completed on time?

We want Sandy to have reasonably priced reliable source of water....are we heading there?

City of Sandy

Investing in Sandy's Future

Fees and Charges Updates

June 21, 2022



Background

- The City annually reviews and presents updates to fees and charges
 - Keeps pace with inflation, construction costs, personnel costs
 - Rate adjustments for debt financing major capital projects, implement capital improvement plans
 - Covering costs to provide services/programs
 - Not keeping up with rising costs and deferred maintenance, likely means larger rate increases down the road



Investing in Sandy's Future

City Council Goals:

- **Plan and provide sustainable infrastructure**
- **Maintain financial strength and sustainability**
Diversify revenue sources, analyze new revenue streams, look at cost recovery where possible



Investing in Sandy's Future

- Wastewater - Sandy Clean Waters
- Water - Bull Run Water Supply + Alder Creek and System reinvestments
- Stormwater management
- SandyNet
- Development paying fair share and cost recovery



Proposed Wastewater Rates

Base Rate by Class	Current	Proposed
a. Single family	\$23.70	\$26.07
b. Single family - reduced	\$11.86	\$13.04
c. Multi-family	\$23.70	\$26.07
d. Commercial/Industrial	\$11.29	\$12.42
Volume Charges by Customer Class (per 100 cubic ft)		
a. Single family	\$6.08	\$6.69
b. Single family - reduced	\$3.05	\$3.35
c. Multi-family	\$6.08	\$6.69
d. Commercial/Industrial	\$8.26	\$9.08
e. Residential - no water service	\$85.49	\$94.04



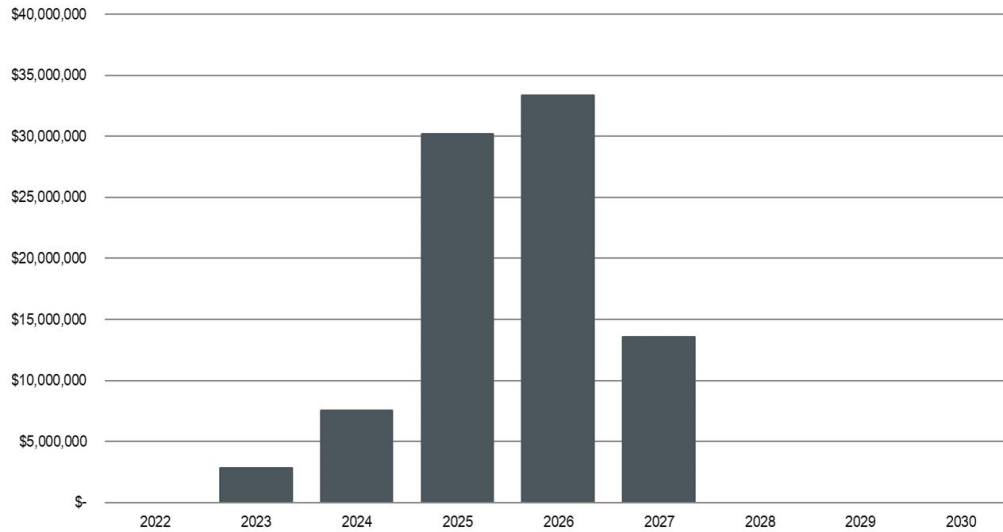
Water Supply and Treatment Projects

- Bull Run Water Supply Treatment
 - Build Transmission Pipeline to Portland Filtration Plant by 2027
- Alder Creek Water Treatment Plant rebuild and expansion, other critical CIP projects

Rate Model Assumptions

- Projects to be completed by 2027:
 - Transmission pipeline to PWB Filtration Plant
 - Alder Creek Treatment Plant Rebuild
 - Reservoir Repairs
- Escalated 6% per year
- Add 35% Contingency
- Funding: SRF Loan and Revenue Bonds

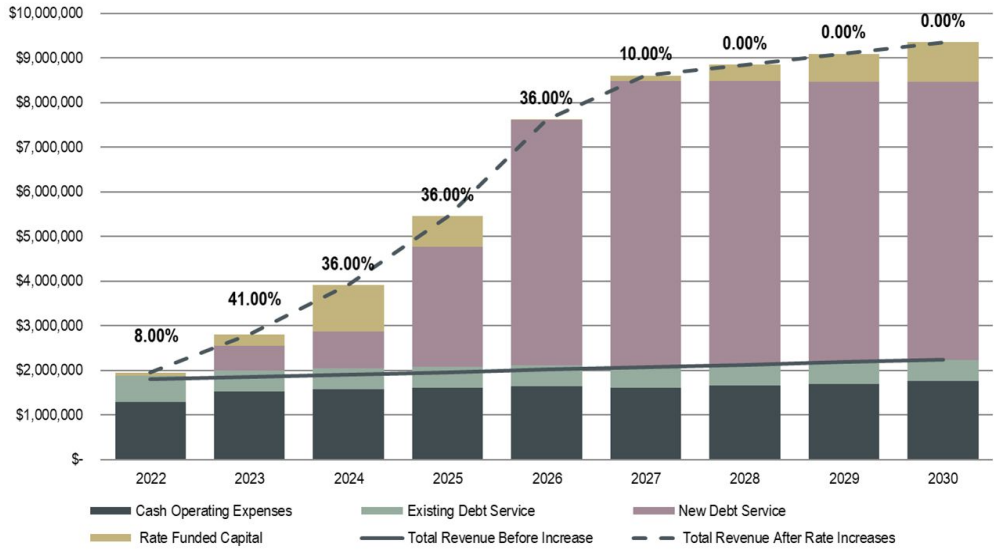
Capital Improvement Program



The total capital plan reflects an escalated \$87.5 million and rate model includes \$81.7 million in borrowing



Revenue Requirement Forecast



Rate increases are required primarily to keep up with new debt service to fund the capital projects



Rate Model | Proposed Rates - Base

Class Rates	2022	2023	2024	2025	2026	2027	2028	2029	2030
ATB Increases	8%	41%	36%	36%	36%	10%	0%	0%	0%
Implementation Date:	Existing	7/1/2022	7/1/2023	7/1/2024	7/1/2025	7/1/2026	7/1/2027	7/1/2028	7/1/2029
Single Family	\$ 7.81	\$ 11.01	\$ 14.97	\$ 20.36	\$ 27.69	\$ 30.46	\$ 30.46	\$ 30.46	\$ 30.46
Outside City Single Family	11.74	16.55	22.51	30.62	41.64	45.80	45.80	45.80	45.80
Multi-Family	7.81	11.01	14.97	20.36	27.69	30.46	30.46	30.46	30.46
Commercial/Industrial	7.81	11.01	14.97	20.36	27.69	30.46	30.46	30.46	30.46
Wholesale	9.34	13.17	17.91	24.36	33.13	36.45	36.45	36.45	36.45



Rate Model | Proposed Rates - Volume

Volume Charges per CCF	2022	2023	2024	2025	2026	2027	2028	2029	2030
ATB Increases	8%	41%	36%	36%	36%	10%	0%	0%	0%
Implementation Date:	Existing	7/1/2022	7/1/2023	7/1/2024	7/1/2025	7/1/2026	7/1/2027	7/1/2028	7/1/2029
Single Family	\$ 3.13	\$ 4.42	\$ 6.01	\$ 8.17	\$ 11.11	\$ 12.22	\$ 12.22	\$ 12.22	\$ 12.22
Outside City Single Family	4.70	6.62	9.01	12.25	16.66	18.33	18.33	18.33	18.33
Multi-Family	2.95	4.16	5.65	7.69	10.46	11.50	11.50	11.50	11.50
Commercial/Industrial	2.70	3.81	5.18	7.04	9.58	10.53	10.53	10.53	10.53
Outside City Commercial/Industrial	4.20	5.92	8.06	10.96	14.90	16.39	16.39	16.39	16.39
Wholesale	3.30	4.66	6.34	8.62	11.72	12.89	12.89	12.89	12.89
Skyview Acres	0.81	1.14	1.55	2.11	2.87	3.16	3.16	3.16	3.16



Water Rates - Sample Bill

Sample Monthly Bill	2022	2023	2024	2025	2026	2027	2028	2029	2030
ATB Increases	8%	41%	36%	36%	36%	10%	0%	0%	0%
Implementation Date:	Existing	7/1/2022	7/1/2023	7/1/2024	7/1/2025	7/1/2026	7/1/2027	7/1/2028	7/1/2029
Single Family, 7 CCF	\$30.01	\$42.32	\$57.55	\$78.27	\$106.45	\$117.10	\$117.10	\$117.10	\$117.10
% of median household income	0.43%	0.60%	0.80%	1.07%	1.43%	1.55%	1.53%	1.50%	1.48%

*projected future rate increases subject to change as model, capital costs, and funding plan is updated regularly.



Stormwater Utility

Current Monthly Fee	\$3.50
Proposed Monthly Fee	\$5.00
Increase in Annual Revenue	\$116,000

- Will allow for the building of a capital funds for future projects and operations, future master plan
- Future rate increases projected to work towards a financially sustainable utility



Historical and Proposed Rates - Average Bill (7 ccf)

	2018-19	2019-20	2020-21	2021-22	2022-23
Water	22.82	24.87	24.87	30.00	42.32
Sewer	24.94	52.35	52.35	66.26	72.89
Stormwater	3.25	3.25	3.25	3.5	5.0
City Utilities	51.01	80.47	80.47	99.76	120.19
Public Safety	0	4.5	4.5	4.5	4.5
SandyNet	39.95	41.95	41.95	41.95	44.95
Total City Bill	90.96	126.92	126.92	146.21	169.64

Clackamas County Cities Utility Bill Comparison - 7ccf



*Based on a survey of 2021-22 rates

SandyNet

- Seeing larger take in Gigabit service
- Ramping up equipment replacement
 - WiFi 6
 - 2 & 5 Gig Plans
- Rate model changes for new technology
- Rate Increase Plan - Expected rate change next biennium as costs continue to climb



SANDYNET
Your community, connected.

Residential or Business Fiber	500Mbps Down/Up \$44.95	1000Mbps (Gig) Down/Up \$59.95
	Voice Service*	Residential Voice \$20

*unlimited US All | Excluding state/federal taxes

Sign up today at www.sandy.net



SandyNet - Proposed Rate Increase

- Increase price of 300/300 Mbps from \$41.95 to \$44.95 and increase speed to 500/500 Mbps
- Offer multigigabit service tiers in **new developments*** and begin transition for existing network
 - 2/2 Gbps for \$110
 - 5/5 Gbps for \$225



Other Adjustments

- Planning & Building Fees
- Miscellaneous Fees (records fees)

Next Steps

- Hold a public hearing
- Rate adjustments would become effective July 1
- Utility and SandyNet customers would see new rates reflected in their July billing (July 22-25)



Public Hearing

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Cedars Laundromat LLC
1923 142nmd Ave SW
Lakebay, WA 98349
360 910-3682
mcarstetter@msn.com



June 17, 2022

Dear Jordon Wheeler,

As you are aware Cedars Laundromat is one of the top consumers of sewer and water. Sewer and water are the highest expenses for our business. This huge unprecedented increase will affect the laundromat and its customers. Customers of laundromats are typically lower income, and any increase will have a greater effect on their standard of living already hampered by high rent and fuel prices. It is irresponsible to propose such a huge increase. This large increase could also affect the viability of the laundromat in your city which is needed.

Sincerely,

Mel Carstetter

Owner Cedars Laundromat



City of Sandy

SMC Chapter 8.35 Repeal and Replace Camping Prohibited in Certain Places



Background/Purpose

- Update Sandy Municipal Code to achieve compliance with state law (House Bill 3115).
- Protect the health, safety, and welfare of the public through the regulation of camping with reasonable time, place, and manner restrictions for sleeping in public places in the city.
- Progress on the Council Goal to address homelessness in Sandy

Background/Purpose

- Unregulated camping damages the environment, impedes the public's use and enjoyment of parks and public property, and creates unsafe and unsanitary conditions.
- Time, place, and manner regulations help our staff and public safety officers better manage and respond and provide assistance to individuals experiencing homelessness

New regulations - camping prohibited

1. All city parks, trails, and areas designated as parks and open space (POS) under SMC chapter 17.32.
2. All areas designated as flood, slope, and hazard areas under SMC Chapter 17.60;
3. Any area on a sidewalk, unless the camping is done in a manner that maintains a clear, continuous sidewalk width of at least five feet;

New regulations - camping prohibited

4. All real property upon which city facilities are located;
5. All city owned parking lots;
6. All public property located within an area zoned for residential use under SMC Title 17; and
7. All publicly owned property located along and between Proctor Avenue and Pioneer Avenue, and along Pleasant Street between Bluff Road and Ten Eyck Road.



New regulations - camping allowed

- Commercial and industrial zoned areas that do not otherwise conflict with any of the other criteria,
- Between the hours of 9 p.m. and 6:30 a.m.

Ordinance 2022-12

Staff recommends adopting Ordinance 2022-12; An Ordinance Repealing and Replacing Chapter 8.35 of the Sandy Municipal Code: Camping Prohibited In Certain Places



Public Hearing

Page 49 of 49

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Staff Report

Meeting Date: July 18, 2022

From Jordan Wheeler, City Manager

SUBJECT: Sandy Municipal Code Chapter 10 Amendments - RV Parking

DECISION TO BE MADE:

Whether to adopt Ordinance 2022-17, amending Sandy Municipal Code Chapters 10.08 and 10.24, adding a definition of recreational vehicle, and establishing a Recreational Vehicle Parking Permit program.

PURPOSE / OBJECTIVE:

The amendments would create a no-cost permit program for residents to park recreational vehicles on public streets for up to 72 hours. Current code already allows recreational vehicles (RVs) to be parked on the street for up to 72 hours, which was intended to allow residents to have sufficient time to prepare their RVs prior to a trip, or to unload the RV upon returning home. Establishing a permit program will enable the city to better monitor and manage parking activity while still allowing residents who own RVs to legally park to conduct their activities.

Recreational Vehicles parked on the street for extended periods impact neighborhood livability, encroach on city rights-of-way, and impede the flow of bicycles, pedestrians, and vehicles on the roadway which can be a safety hazard.

BACKGROUND / CONTEXT:

The City Council adopted the 2021-23 Goal to "Collaborate with regional and community partners to address homelessness". The Council formed a workgroup to update the camping code and other ordinances and policies to help tackle this issue. As part of their work in reviewing city codes and livability issues, the workgroup identified the recreational vehicle parking permit program as a solution to help address safety and livability issues involving RVs that chronically park on city streets or are not associated with a Sandy address.

The concept was presented to the City Council at [work session on November 15](#) for discussion and feedback.

KEY CONSIDERATIONS / ANALYSIS:

The proposed code amendments will help the City accurately track and enforce the duration and frequency of RV parking throughout the City, and will enable the City to be more responsive to citizen complaints of illegal parking. The permitting process will be free of charge, available online, and easy for the resident to fill out and complete.

The proposed code amendments will add a definition of recreational vehicle in Chapter 10.08 and add a new section to Chapter 10.24. A property owner can obtain a free 72 hour permit six times per year with a limit of 3 consecutive 72 hour permits.

The amendments also include changes to Section 10.24.030, adding the reference to the RV parking permit requirement and the prohibition on overnight sleeping in vehicles.

RECOMMENDATION:

Staff recommends the City Council approves the first reading of Ordinance 2022-17.

BUDGETARY IMPACT:

No budget impact. The revised code and permit program can be implemented with existing staff and resources. The permit is free and will only require filling out an online form.

SUGGESTED MOTION LANGUAGE:

I move to approve the first reading of Ordinance 2022-17.

LIST OF ATTACHMENTS/EXHIBITS:

1. Ordinance 2022-17



NO. 2022-17

AN ORDINANCE CONCERNING RECREATIONAL VEHICLE PARKING ON PUBLIC STREETS AND AMENDING CHAPTERS 10.08 AND 10.24 OF THE SANDY MUNICIPAL CODE

Whereas, the City of Sandy desires to address the parking of recreational vehicles on public rights of way in the City; and

Whereas, unregulated and unauthorized overnight parking of recreational vehicles on public rights of way impacts the community's ability to access parking and impairs the public's use and enjoyment of the rights of way;

NOW, THEREFORE, THE CITY OF SANDY ORDAINS AS FOLLOWS:

Section 1: Sandy Municipal Code Sections 10.08.170 and 10.24.035 are added to Title 10 as detailed in Exhibit A, attached and incorporated by reference.

Section 2: Sandy Municipal Code Section 10.24.030 is amended as detailed in Exhibit B, attached and incorporated by reference.

Section 3: This ordinance shall take effect on the thirtieth day after its enactment.

This ordinance is adopted by the Common Council of the City of Sandy and approved by the Mayor this 18 day of July 2022

Stan Pulliam, Mayor

ATTEST:

Jeff Aprati, City Recorder

#2022-17

EXHIBIT A

Chapter 10 Additions - Recreational Vehicle Parking Permit Program

CHAPTER 10.08 - DEFINITIONS

Sec. 10.08.170. – Recreational Vehicle

Recreational Vehicle means a motor home, camper, travel trailer, motor coach, or portable vehicular structure capable of being towed on the highways by a motor vehicle, designed and intended for casual or short-term human occupancy for travel, recreational, or vacation uses. If identified in some manner as a recreation vehicle by the manufacturer or registered as such with the state, it is prima facie a recreational vehicle.

CHAPTER 10.24 – PARKING

Sec. 10.24.035. – Recreational Vehicle Parking Permit.

- A. A person may park a recreational vehicle for a period not to exceed 72 hours if a no-cost permit is issued pursuant to this section.
- B. A permit may be renewed two additional times for a total of 3 consecutive 72-hour periods. However, no more than six recreational vehicle parking permits will be issued annually for a property.
- C. Applications for a permit shall be made on forms or in a manner prescribed by the City Manager.
- D. A permit shall only allow parking of a recreational vehicle immediately adjacent to a property with an occupied single-family dwelling, duplex, or townhome. Only the owner or lawful tenant of the dwelling will be issued a permit.
- E. The permit may not be issued by the City Manager for a recreational vehicle meeting the definition of an abandoned vehicle in violation of Sandy Municipal Code 10.52.

EXHIBIT B

Chapter 10.24.030 Amendments

Sec. 10.24.030. - Prohibited parking.

No operator shall park and no owner shall allow a vehicle to be parked upon a street or public right of way for the principal purpose of:

- A. Displaying the vehicle for sale;
- B. Repairing or servicing the vehicle, except repairs necessitated by an emergency;
- C. Displaying advertising from the vehicle;
- D. Selling merchandise from the vehicle, except when authorized;
- E. Parking or storing a motor vehicle, two-wheel trailer, utility trailer, boat, or mobile trailer, ~~camper trailer, camper or recreational vehicle~~ more than 72 consecutive hours;
- F. Parking or storing a recreational vehicle unless issued a permit pursuant to SMC 10.24.035;
- F.G. Parking restrictions pursuant to ORS 483.364, prohibiting parking on sidewalks, parkways, near fire hydrants, private drives, within intersections, crosswalks, double-parking or parking in violation of posted regulatory signs;
- H. Parking in a manner which causes a traffic hazard to any normal flow of traffic;
- G.I. Overnight sleeping between the hours of 9 p.m. and 6:30 a.m.



Jeff Aprati <japrati@ci.sandy.or.us>

Public Comment on Ordinance 2022-17

Jerry Crosby <jerrycrosby@gmail.com>
To: japrati@ci.sandy.or.us

Mon, Jul 18, 2022 at 1:00 PM

Jeff,

I was just talking with Carl Exner with some comments on the proposed Ordinance 2022-17, which will be discussed at tonight's City Council meeting. He suggested that I send you my comments in writing since I cannot make the meeting tonight. So these comments will be for the record.

Background: I own a 26-foot travel trailer that I store at my office in Boring. Whenever we head out on a trip, I'll pull the trailer to our house to load it up. And at the completion of the trip we do the same to unload everything. I'm usually parked on the street for no more than a couple of hours.

I have no issue with the permitting principle. It's free and easily obtained online.

Section 10.24.035

As I read the proposed wording of 10.24.035, when we leave on a camping trip, I would need a permit to park in front of the house for a couple of hours to load up. If the trip is longer than 72 hours (which is normal for us), I would need a second permit to unload, or I could renew the original permit, giving me the potential of a 12-day window for loading and unloading. If the trip was longer than 12 days, I would need two separate permits, one for loading and one for unloading. Depending upon how one works the permit system, it appears that we would be restricted to as few as 3 trips a year (getting separate permits each for loading and unloading days), and no more than 6 trips a year (getting 6 permits that are renewed to cover both loading and unloading days). That could be too restrictive for us, as we take 7-8 trips a year.

Can a permit be "renewed" at the time of initial issuance, or would I have to wait until my trip was underway before I could renew it?

Perhaps it would be helpful if some wording were added in 10.24.035(A) to allow for permit-less short parking periods, say up to 8(?) hours (would probably preclude overnight parking, but allow for time to wash, do light maintenance, etc.).

(And before anyone asks, even though my trailer is one of the shorter ones, I cannot fit it into my driveway.)

Section 10.24.030

I admit that I have never read this section before, and my questions don't relate to any of the proposed changes, but since Council is looking at it tonight it might be a good time to make some clarifications.

Why are only "two-wheel" trailers mentioned in 10.24.030(E)? Many construction dump trailers have 4 wheels. Would they be allowed to be parked on the street? (Usually, trailers are described by the number of axles, not wheels.)

What is a "mobile trailer?" I'm having trouble picturing an *immobile* trailer. If a trailer is sitting on the street, jacked up on one side with a wheel removed, is it "immobile" and thus permitted to be parked there? Or is it now a *one-wheel* trailer and permitted?

In 10.24.030(G) (proposed renumbering), what does "near fire hydrants" mean? How close is "near?" (Ah! That pesky "clear and objective" standard! Ha!)

For what they are worth, those are some comments and suggestions to throw into the discussion tonight.

Jerry Crosby
37390 Dubarko Rd.
Sandy, OR 97055



Staff Report

Meeting Date: July 18, 2022
From Jeff Aprati, City Recorder
SUBJECT: Measure 109 Regulation Options

DECISION TO BE MADE:

Whether and how to pursue restrictions on licensed psilocybin facilities within city limits.

BACKGROUND / CONTEXT:

On June 29th, staff received an email from Beery, Elsner, and Hammond concerning Ballot Measure 109 which passed in 2020 and legalized psilocybin (mushrooms). Cities have limited time to take action if they wish to enact regulations before the Oregon Health Authority (OHA) begins issuing facility licenses.

Ballot Measure 109, known as the Oregon Psilocybin Service Act (codified at [ORS 475A](#)), allows for the manufacture, delivery and administration of psilocybin (mushrooms) at licensed facilities. The Oregon Health Authority (OHA) has begun the rulemaking process to implement Measure 109 and will begin accepting applications for psilocybin licenses **in January 2023**. This means local governments need to begin thinking about whether and to what extent they want to impose regulations on these types of facilities soon.

The Measure 109 program for psilocybin was modeled after the state's marijuana program. As with the marijuana program, there are different types of licenses that OHA will issue under the state's psilocybin program—manufacturer (production), laboratory (testing), facilitator (server), and service center licenses (location where provided and taken). A summary presentation from OHA is attached to this staff report for reference.

Several options exist for the City in reaction to this new state law:

- **Option 1:** Impose prohibitions on licensed psilocybin facilities being located within city limits, either permanently or for a limited duration
- **Option 2:** Impose time, place and manner restrictions on such facilities under the Development Code
- **Option 3:** Take no action and let the state law apply as written. Under the law, applicants for licenses must still obtain a land use compatibility statement from the city stating that the proposed facility is consistent with the local government's comprehensive plan and land use regulations.

KEY CONSIDERATIONS / ANALYSIS:

Option 1

Sandy can impose prohibitions on psilocybin manufacturing and service center facilities within city limits. (Importantly, state law already prohibits locating a service center within residential zones of an incorporated city).

A local prohibition can be permanent, or for a limited duration.

As with marijuana prohibitions, however, **local psilocybin prohibitions must be approved by the voters during a statewide general election**. Thus, if the Council wants to propose a prohibition to the voters, it must do so for this November's election or it will need to wait until the November 2024 election to do so. **The deadline to refer a measure to the November 2022 ballot is August 18th.**

The League of Oregon Cities (LOC) has developed a [model ordinance](#) that can be adopted by cities and referred to the voters. If the Council chooses this option, staff would bring the model ordinance (also attached to this staff report for reference) for the Council's consideration at the August 1st meeting.

Option 2

Instead of a prohibition, the Council may impose time, place, and manner restrictions on such facilities. Often, such regulations are included as part of a local jurisdiction's development code, and amendments to such codes can require a somewhat lengthy process, as they typically include providing notice to the State as well as hearings before the Planning Commission and Council. Thus, time would be of the essence if the Council wishes to pursue this option.

Of note, state law already prohibits the manufacturing of psilocybin products outdoors as well as prohibits locating a service center within 1,000 feet of a school. As noted above, service centers are also already prohibited within a residential zone of an incorporated city.

RECOMMENDATION:

Provide direction to staff on whether the Council wishes to pursue limitations on licensed psilocybin facilities; and if so, which of the possible options is preferred by the Council.

Options Summary:

- **Option 1:**

- Option 1A: Refer permanent ban ordinance to the voters
- Option 1B: Refer limited duration moratorium ordinance to the voters
- **Option 2**: enact time, place, and manner restrictions through the Development Code amendment process
- **Option 3**: take no action and let the state law apply as written

LIST OF ATTACHMENTS/EXHIBITS:

- Initial email notice from Beery, Elsner, and Hammond
- LOC model ordinances and ballot language (permanent ban and moratorium options)
- "Introduction to Psilocybin Services" presentation from the Oregon Health Authority (OHA) for local governments



Jeff Aprati <japrati@ci.sandy.or.us>

Local Governments & Psilocybin Regulations in Oregon

Kristen Ketchel-Bain at BEH <kristen@gov-law.com>
Reply-To: Kristen Ketchel-Bain at BEH <kristen@gov-law.com>
To: japrati@ci.sandy.or.us

Wed, Jun 29, 2022 at 11:51 AM

[View this email in your browser](#)



In November 2020, Oregon voters approved Ballot Measure 109, known as the Oregon Psilocybin Service Act (codified at ORS 475A), which allows for the manufacture, delivery and administration of psilocybin (mushrooms) at licensed facilities. The Oregon Health Authority (OHA) has begun the rulemaking process to implement Measure 109 and will begin accepting applications for psilocybin licenses in January 2023. This means local governments need to begin thinking about whether and to what extent they want to impose regulations on these types of facilities soon.

The Measure 109 program for psilocybin was modeled after the state’s marijuana program. As with the marijuana program, there are different types of licenses that OHA will issue under the state’s psilocybin program— manufacturer (production), laboratory (testing), facilitator (server), and service center licenses (location where provided and taken). Also, like the marijuana program, local governments may be involved in this process in three ways:

(1) by imposing prohibitions on all or some of the types of licensed facilities being located within their jurisdictions; (2) by imposing time, place and manner restrictions on such facilities; and (3) by considering a land use compatibility statement (LUCS) that any such facility must acquire before it can obtain a license from OHA.

Accordingly, local governments should consider a few regulatory issues this summer so they are prepared when OHA begins to accept applications for licenses in January 2023:

- Local governments may impose prohibitions on psilocybin manufacturing and service center facilities within their jurisdictions. Importantly, state law already prohibits locating a service center within residential zones of an incorporated city. A local prohibition can be permanent or for a limited duration. As with marijuana prohibitions, however, local psilocybin prohibitions must be approved by the voters during a statewide general election. Thus, if a local government wants to propose a prohibition to the voters, it must do so for this November's election or it will need to wait until the November 2024 election to do so. The deadline to refer a measure to this November's ballot is August 18.
- Instead of a prohibition, local governments may impose time, place and manner restrictions on such facilities. Often, such regulations are included as part of a local jurisdiction's development code, and amendments to such codes can require a somewhat lengthy process, as they typically include providing notice to the state as well as hearings before the local planning commission and governing body. Thus, local governments wishing to impose time, place or manner restrictions on these types of facilities should begin the process this summer. Of note, state law already prohibits the manufacturing of psilocybin products outdoors as well as prohibits locating a service center within 1,000 feet of a school. As noted above, service centers are also already prohibited within a residential zone of an incorporated city. Whether additional regulations are necessary is a decision each jurisdiction should make locally.

Some issues local jurisdictions will not need to consider are local licensing requirements, as well as local taxes, because Measure 109 preempted local ordinances on both. The League of Oregon Cities (LOC) has produced [model ordinances](#) to be referred to the voters to prohibit the location of psilocybin facilities within a jurisdiction. In addition, LOC has made available a [presentation](#) about psilocybin from OHA for local governments. Our office, of

7/1/22, 12:58 PM

City of Sandy Mail - Local Governments & Psilocybin Regulations in Oregon

course, remains available to assist your jurisdiction with these issues as needed.

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MODEL



Model Psilocybin Ordinance & Ballot Measure

JUNE 2022

Cities and counties that desire to prohibit the establishment of psilocybin-related businesses may do so by referral at a statewide general election, meaning an election in November of an even-numbered year. Cities and counties should consult the secretary of state’s referral manual and work with the city recorder, elections official, or similar official to determine the procedures necessary to refer an ordinance to the voters.

Once the governing body of a city or county adopts an ordinance, its city or county must submit the ordinance to the Oregon Health Authority (OHA). The OHA will then stop registering and licensing the prohibited businesses until the next statewide general election, when the voters will decide whether to approve or reject the ordinance. In other words, the governing body’s adoption of an ordinance acts as a moratorium on new psilocybin-related businesses until the election.

In addition, it is important to note that once election officials file the referral with the county election office, the ballot measure is certified to the ballot. At that point, the restrictions on public employees engaging in political activity will apply. Consequently, cities should consult the secretary of state’s manual *Restrictions on Political Campaigning by Public Employees* and their city attorney to ensure that public employees are complying with state elections law in their communications about the pending measure. The model ordinances and ballot measures below contain two versions. The first is a permanent ban of psilocybin-related businesses until the ordinance is repealed and the second acts as a two-year moratorium.

.....

This document is not a substitute for legal advice. City and county councils considering prohibiting psilocybin-related activities should not rely solely on this sample. Any city or county council considering any form of regulation of psilocybin should consult with its city or county attorney regarding the advantages, disadvantages, risks and limitations of any given approach.

Legal counsel can also assist a city or county in preparing an ordinance that is consistent with local procedures, existing ordinances and charter, and advise on what process is needed to adopt the ordinance. The sample provided is intended to be a starting point, not an end point, for any jurisdiction considering prohibiting psilocybin-related activities.

.....

PERMANENT BAN

.....

ORDINANCE NO. _____

**AN ORDINANCE DECLARING A BAN ON PSILOCYBIN SERVICE
CENTERS AND THE MANUFACTURE OF PSILOCYBIN PRODUCTS**

WHEREAS, in November 2020, Oregon voters approved Ballot Measure 109, known as the Oregon Psilocybin Service Act (codified at ORS 475A), which allows for the manufacture, delivery and administration of psilocybin at licensed facilities; and

WHEREAS, ORS 475A.235 provides that the Oregon Health Authority will regulate the manufacturing, transportation, delivery, sale and purchase of psilocybin products and the provision of psilocybin services in the state; and

WHEREAS, the Oregon Health Authority has initiated a rulemaking process to implement the state's psilocybin regulatory program and intends to begin accepting applications for psilocybin-related licenses on January 2, 2023; and

WHEREAS, as of June {date}, 2022, the Oregon Health Authority has not completed the rulemaking process for implementing the state's psilocybin regulatory program, and the City of {city} is uncertain how the manufacture, delivery and administration of psilocybin at licensed psilocybin facilities will operate within the city; and

WHEREAS, ORS 475A.718 provides that a city council may adopt an ordinance to be referred to the electors of the city prohibiting the establishment of state licensed psilocybin product manufacturers and/or psilocybin service centers in the area subject to the jurisdiction of the city; and

WHEREAS, the {city} City Council believes that prohibiting psilocybin product manufacturers and psilocybin service centers within the city's jurisdictional boundaries to enable the adoption of the state's psilocybin licensing and regulatory program and to allow the city to adopt reasonable time, place, and manner regulations on the operation of psilocybin facilities is in the best interest of the health, safety and welfare of the people of {city}; and

WHEREAS, the City Council seeks to refer to the voters of {city} the question of whether to establish a ban on state-licensed psilocybin product manufacturers and psilocybin service centers within the city's jurisdictional boundaries.

Now, therefore,

THE CITY OF {CITY} ORDAINS AS FOLLOWS:

Section 1. Prohibition.

The establishment of psilocybin product manufacturers licensed under ORS 275A.290 and psilocybin service centers licensed under ORS 475A.305 is prohibited in the City of {city}.

Section 2. Referral.

This ordinance is referred to the electors of the city of {city} for approval at the next statewide general election on November 8, 2022.

Section 3. Effective Date.

This ordinance takes effect and becomes operative 30 days after the day on which it is approved by a majority of voters.

First reading this ____ day of _____, 2022.

Second reading and passage by this Council this ____ day of _____, 2022.

Signed by the Mayor this ____ day of _____, 2022.

ATTEST:

SIGNED:

{NAME}, City Recorder

{NAME}, Mayor

BALLOT TITLE

A caption which reasonably identifies the subject of the measure.

10-word limit under ORS 250.035(1)(a)

Prohibits psilocybin-related businesses within {city}. [Prohibition sunsets after two years.]

QUESTION

A question which plainly phrases the chief purpose of the measure so that an affirmative response to the question corresponds to an affirmative vote on the measure.

20-word limit under ORS 250.035(1)(b)

Shall {city or county} prohibit {psilocybin-related businesses} in {city or county}?

SUMMARY

A concise and impartial statement summarizing the measure and its major effect.

175-word limit under ORS 250.035(1)(c)

State law allows operation manufacturer, distribution and possession of psilocybin and psilocin. State law provides that a {city or county} council may adopt an ordinance to be referred to the voters to prohibit the establishment of any of those registered or licensed activities.

Approval of this measure would prohibit the establishment of {psilocybin project manufacturers} and/or {psilocybin service center operators} within the area {subject to the jurisdiction of the city} or {in the unincorporated area subject to the jurisdiction of the county.}

EXPLANATORY STATEMENT

An impartial, simple and understandable statement explaining the measure and its effect for use in the county voters' pamphlet.

500-word limit under ORS 251.345 and OAR 165-022-0040(3)

Approval of this measure would prohibit the establishment {and operation} of psilocybin-related businesses within the {city or county}.

A {city or county} council may adopt an ordinance prohibiting the establishment of psilocybin related businesses within the {city or county}, but the council must refer the ordinance to the voters at a statewide general election. The {CITY or COUNTY} OF {NAME} {city or county} council has adopted an ordinance prohibiting the establishment of psilocybin-related businesses within the {city or county} and, as a result, has referred this measure to the voters.

If approved, this measure would prohibit psilocybin-related businesses within the {city or county}.

TWO-YEAR MORATORIUM



ORDINANCE NO. _____

AN ORDINANCE DECLARING A TEMPORARY BAN ON PSILOCYBIN SERVICE CENTERS AND THE MANUFACTURE OF PSILOCYBIN PRODUCTS

WHEREAS, in November 2020, Oregon voters approved Ballot Measure 109, known as the Oregon Psilocybin Service Act (codified at ORS 475A), which allows for the manufacture, delivery and administration of psilocybin at licensed facilities; and

WHEREAS, ORS 475A.235 provides that the Oregon Health Authority will regulate the manufacturing, transportation, delivery, sale and purchase of psilocybin products and the provision of psilocybin services in the state; and

WHEREAS, the Oregon Health Authority has initiated a rulemaking process to implement the state's psilocybin regulatory program and intends to begin accepting applications for psilocybin-related licenses on January 2, 2023; and

WHEREAS, as of June {date}, 2022, the Oregon Health Authority has not completed the rulemaking process for implementing the state's psilocybin regulatory program, and the City of {city} is uncertain how the manufacture, delivery and administration of psilocybin at licensed psilocybin facilities will operate within the city; and

WHEREAS, ORS 475A.718 provides that a city council may adopt an ordinance to be referred to the electors of the city prohibiting the establishment of state licensed psilocybin product manufacturers and/or psilocybin service centers in the area subject to the jurisdiction of the city; and

WHEREAS, the {city} City Council believes that prohibiting psilocybin product manufacturers and psilocybin service centers within the city's jurisdictional boundaries to enable the adoption of the state's psilocybin licensing and regulatory program and to allow the city to adopt reasonable time, place, and manner regulations on the operation of psilocybin facilities is in the best interest of the health, safety and welfare of the people of {city}; and

WHEREAS, the City Council seeks to refer to the voters of {city} the question of whether to establish a two-year temporary ban on state-licensed psilocybin product manufacturers and psilocybin service centers within the city's jurisdictional boundaries.

Now, therefore,

THE CITY OF {CITY} ORDAINS AS FOLLOWS:

Section 1. Prohibition.

The establishment of psilocybin product manufacturers licensed under ORS 275A.290 and psilocybin service centers licensed under ORS 475A.305 is prohibited in the city of {city}.

Section 2. Referral.

This ordinance is referred to the electors of the city of {city} for approval at the next statewide general election on November 8, 2022.

Section 3. Effective Date.

This ordinance takes effect and becomes operative 30 days after the day on which it is approved by a majority of voters.

Section 4. Sunset.

This ordinance is repealed on December 31, 2024.

First reading this ____ day of _____, 2022.

Second reading and passage by this Council this ____ day of _____, 2022.

Signed by the Mayor this ____ day of _____, 2022.

ATTEST:

SIGNED:

{NAME}, City Recorder

{NAME}, Mayor

BALLOT TITLE

A caption which reasonably identifies the subject of the measure.

10-word limit under ORS 250.035(1)(a)

Prohibits psilocybin-related businesses within {city}. [Prohibition sunsets after two years.]

QUESTION

A question which plainly phrases the chief purpose of the measure so that an affirmative response to the question corresponds to an affirmative vote on the measure.

20-word limit under ORS 250.035(1)(b)

Shall {city or county} prohibit {psilocybin-related businesses} in {city or county}?

SUMMARY

A concise and impartial statement summarizing the measure and its major effect.

175-word limit under ORS 250.035(1)(c)

State law allows operation manufacturer, distribution and possession of psilocybin and psilocin. State law provides that a {city or county} council may adopt an ordinance to be referred to the voters to prohibit the establishment of any of those registered or licensed activities.

Approval of this measure would prohibit the establishment of {psilocybin project manufacturers} and/or {psilocybin service center operators} within the area {subject to the jurisdiction of the city} or {in the unincorporated area subject to the jurisdiction of the county.}

EXPLANATORY STATEMENT

An impartial, simple and understandable statement explaining the measure and its effect for use in the county voters' pamphlet.

500-word limit under ORS 251.345 and OAR 165-022-0040(3)

Approval of this measure would prohibit the establishment {and operation} of psilocybin-related businesses within the {city or county}.

A {city or county} council may adopt an ordinance prohibiting the establishment of psilocybin related businesses within the {city or county}, but the council must refer the ordinance to the voters at a statewide general election. The {CITY or COUNTY} OF {NAME} {city or county} council has adopted an ordinance prohibiting the establishment of psilocybin-related businesses within the {city or county} and, as a result, has referred this measure to the voters.

If approved, this measure would prohibit psilocybin-related businesses within the {city or county} until December 31, 2024.

**Local Government Partners Webinar
Introduction to The Oregon Psilocybin Services Act**

**Angie Allbee, Section Manager
Jesse Sweet, Policy Analyst
Jennifer Violette, Licensing Program Manager
Gil Garrott, Compliance Program Manager
Oregon Psilocybin Services**

June 17, 2022



PUBLIC HEALTH DIVISION
Oregon Psilocybin Services

Oregon Psilocybin Services Section

Oregon Psilocybin Services is a new section housed within the Oregon Health Authority Public Health Division's Center for Health Protection.

The OPS team has been designed around three program areas:

- **Policy and Engagement**
- **Licensing**
 - **Local Government and Law Enforcement Liaison position**
- **Compliance**

Each program will center on health equity, including outreach to partners and communities and working to ensure access to services.

Ballot Measure 109: The Oregon Psilocybin Services Act

In November of 2020, Ballot Measure 109, the Oregon Psilocybin Services Act was passed by voters in Oregon. The ballot measure is now codified as ORS 475A.

M109 created a license and regulatory framework for production of psilocybin and facilitation of psilocybin services for adults 21 years of age and older and created the Oregon Psilocybin Advisory Board that makes recommendations to OHA.

M109 does not:

- Create a consumer market for psilocybin
- Allow for export or import of psilocybin
- Allow licensees to interact with unregulated markets

License Types

Manufacturer License

- Cultivates fungi and manufactures psilocybin products
- Cannot cultivate outdoors
- Premise must have defined boundaries
- Cannot exceed production quantities established in rule
- Product tracking system required to track manufacturing, sale and transfer of psilocybin products to prevent diversion, ensure accurate accounting, ensure accurate reporting of lab testing results

Laboratory License

- All psilocybin products must be tested by a licensed lab prior to sale.
- Labs must be accredited by the Oregon Environmental Laboratory Accreditation Program
- Testing results must be entered in the product tracking system

License Types (cont'd)

Facilitator License

- Supervises sessions where clients consume psilocybin.
- Must complete **OHA approved training program** as a condition of licensure.
- Must pass exam approved or administered by OHA

Service Center License

- Cannot be located within 1000 feet of a school
- Must have defined boundaries
- Transfers psilocybin products to client for use during administration session

Psilocybin Services

Psilocybin will only be administered to persons 21 years or older in licensed service center settings under the supervision of trained and licensed facilitators.

Psilocybin Services may include:

- Preparation Session
- Administration Session
- Integration Session (optional)

Product tracking system required to track manufacturing, sale and transfer of psilocybin products to:

- Prevent diversion
- Ensure accurate accounting
- Ensure accurate reporting of lab testing results

Local Government Issues

Local Government Opt-Out:

- Local governments (cities and counties) may adopt ordinances that prohibit Manufacturers and Service Centers
- Ordinances must be referred to voters at the next general election

Local Government Time Place and Manner Regulations

- Local governments may adopt reasonable regulations on hours, location, and operation of licenses

Land Use Compatibility Statements (LUCS)

- Applicants for Service Center and Manufacturer licenses are required to request a LUCS from their local government before submitting a license application

Site Requirements

Service Centers:

- GIS mapping tool for school proximity
- Cannot be located on public land; must have defined boundaries
- Cannot be located within a residence
- Cannot be located in an area within city limits that is zoned exclusively for residential use

Manufacturers:

- Cannot be located on public land; must have defined boundaries
- Outdoor cultivation is prohibited
- Landlord must consent to use

TPM:

- OPS will not track local time place and manner regulations

License and Application Fees, Taxes

License and Application Fees

- License and application fees will be set in rule later this year
- Oregon Psilocybin Services will be a fee-based program and fees must cover the costs associated with the agency's work

Taxes

- Service Centers collect a 15% tax on the sale of psilocibin products payable to Oregon Department of Revenue
- Local taxes and fees are prohibited
- Psilocybin services are not taxed

OHA Key Dates

- **November 24, 2021:** Preliminary recommendations from OPAB
- **December 2021:** Public Listening Sessions
- **January 1, 2022:** Community Interest Survey
- **May 13, 2022:** Effective Date for Expedited Rules.
- **June 1, 2022:** OHA begins accepting applications for training programs
- **June 30, 2022:** Recommendations for Remaining Rules
- **July 2022:** Public Listening Sessions
- **September 2022:** RAC for Remaining Rules
- **November 1-21, 2022:** Public Comment for Remaining Rules
- **December 30, 2022:** Effective Date for Remaining Rules
- **January 2, 2023:** OHA begins accepting applications for licensure

Thank You!

Please visit our website:

<https://www.oregon.gov/psilocybin>



Staff Report

Meeting Date: July 18, 2022

From Jeff Aprati, City Recorder

SUBJECT: League of Oregon Cities 2023 Legislative Priorities Discussion

DECISION TO BE MADE:

Provide the League of Oregon Cities (LOC) with the Council's top five legislative priorities for the 2023 session of the Oregon Legislature

BACKGROUND / CONTEXT:

In preparation for the 2023 Oregon Legislature session, LOC is again polling its member cities to identify the most important policy issues to focus its legislative advocacy agenda.

Several LOC policy committees produced a total of 29 proposed priorities. Each city council is being asked to identify its **top five** legislative priorities.

In preparation for this discussion, staff prepared an online survey for the Council. Council members were asked to score all proposed priorities on a scale from 1 to 5. (with 1 being 'least important,' and 5 being 'most important'). All seven Council members responded to the survey.

Staff tabulated the responses and calculated weighted averages for each item. Under this method, items with scores closest to 5 are the highest consensus priorities of the Council.

KEY CONSIDERATIONS / ANALYSIS:

The five proposed legislative priorities with the highest average scores were:

- Infrastructure Financing and Resilience (score: 4.86 out of 5)
 - "The LOC will advocate for an increase in the state's investment in key infrastructure funding sources, including, but not limited to, the Special Public Works Fund (SPWF), Brownfield Redevelopment Fund, Regionally Significant Industrial Site loan program, and set asides through the SPWF for seismic resilience planning and related infrastructure improvements to make Oregon water and wastewater systems more resilient."

- Place-Based, Water Resource Planning (Program Support) (score: 4.43 out of 5)
 - "The LOC will advocate for the funding needed to complete existing place-based planning efforts across the state and identify funding to continue the program for communities that require this support."
- Water Utility Rate and Fund Assistance (score: 4.29 out of 5)
 - "The LOC will collaborate with members of the bipartisan work group to continue the proposed legislative purpose of the Low-Income Household Water Assistance (LIHWA) program."
- Economic Development Incentives (score: 4.14 out of 5)
 - "The LOC will support legislation to preserve and strengthen discretionary local economic development incentives including the Enterprise Zone (EZ), Long Term Rural Enterprise Zone (LTREZ) and Strategic Investment Program (SIP)."
- Funding for Recovery of Abandoned Recreational Vehicles (score: 4.14 out of 5)
 - "The LOC supports the formation of a recovery fund that cities could access for disposing of abandoned Recreational Vehicles (RV)."

(A listing of all 29 scores is attached to the staff report).

RECOMMENDATION:

Confirm that the five issues listed above are indeed the top consensus priorities of the Council, or make adjustments if desired. The full text and explanation of LOC's proposed priorities is attached to the staff report for reference.

Once the Council has confirmed its selections, staff will fill out the electronic submission form on the Council's behalf.

LIST OF ATTACHMENTS/EXHIBITS:

- Complete scoring list of all 29 proposals
- Full text and explanation of LOC's proposed legislative priorities

Council Scoring of Proposed LOC Legislative Priorities - 2023 Session

(weighted averages - 1 to 5 scale)

Infrastructure Financing and Resilience	4.86
Place-Based, Water Resource Planning (Program Support)	4.43
Water Utility Rate and Fund Assistance	4.29
Economic Development Incentives	4.14
Funding for Recovery of Abandoned Recreational Vehicles	4.14
Local Funding to Address Homelessness	3.86
Cybersecurity & Privacy	3.86
Address Measure 110 Shortcomings	3.71
Property Tax Reform	3.71
Lodging Tax Flexibility	3.71
Transportation Safety Enhancement	3.71
Attorney Client Privilege	3.57
Protecting Public Employees and Officials	3.43
Return to Work	3.43
Full Funding and Alignment for State Land Use Initiatives	3.29
Community Resiliency and Wildfire Planning	3.29
Marijuana Taxes	3.29
Alcohol Revenues	3.29
Resilient, Futureproof Broadband Infrastructure and Planning Investment	3.29
Incentives for Broadband Affordability, Adoption and Consumer Protections	3.14
Continue Investments in Renewable Energy	2.86
Infrastructure Funding to Support Needed Housing	2.57
Adequate Funding for State Climate Initiatives	2.14
Digital Equity and Inclusion	2.14
Road User Fee – Vehicle Miles Traveled (VMT) Structure	2.14
New Mobility Services	2.14
Building Decarbonization, Efficiency, and Modernization	2.00
Investment in Community Climate Planning Resources	1.86



2023 Legislative Priorities Ballot

Issued on June 10, 2022

Ballots due by 5:00 p.m. on August 5, 2022

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2023 Legislative Priorities Ballot – League of Oregon Cities

Background: Each even-numbered year the LOC appoints members to serve on 7 policy committees. These policy committees are the foundation of the LOC’s policy development process. Composed of city officials, these committees are charged with analyzing policy and technical issues and recommending positions and strategies for the LOC. Each committee provides a list of recommended policy positions and actions for the LOC to take in the coming two year legislative cycle. This year, all 7 committees identified between 3 to 5 legislative policy priorities to advance to the full membership and LOC Board of Directors.

Ballot/Voting Process: Each city is being asked to review the recommendations from the 7 policy committees and provide input to the LOC Board of Directors as it prepares to adopt the LOC’s 2023 legislative agenda. After your city has had an opportunity to review the proposals, please complete the electronic ballot indicating the top 5 issues that your city would like to see the LOC focus on during the 2023 legislative session.

Each city is permitted one vote. As such, each city must designate a person to enter the vote electronically on the below link. For those cities without electronic options for voting, paper ballots may be requested from LOC’s Legislative Director Jim McCauley at jmccauley@orcities.org.

Important Deadlines: The deadline for submitting your city’s vote is **5:00 p.m. on August 5, 2022.**

Link to Electronic Ballot: [Access the Electronic Ballot here.](#)

Brought to you by the Community Development Policy Committee

Full Funding and Alignment for State Land Use Initiatives

Legislative Recommendation: *The LOC will support legislation to streamline and fully fund local implementation of any recently adopted or proposed state land use planning requirements, including administrative rulemaking.*

Background: Recent legislation and executive orders have made significant changes to the state’s land use planning process, including increasing burdens for local government. While the LOC shares the state’s policy goals, these updates have resulted in extensive, continuous, and sometimes conflicting rulemaking efforts that are not supported by adequate state funding. Cities simply do not have the staff capacity or resources needed to implement current requirements. Existing planning updates should be streamlined to enable simpler, less costly implementation and any new proposals should be aligned with existing requirements.

Local Funding to Address Homelessness

Legislative Recommendation: *The LOC will seek funding to support coordinated, local responses to addressing homelessness.*

Background: The LOC recognizes that to end homelessness, a statewide and community-based coordination approach to delivering services, housing, and programs is needed. Addressing homelessness will look different and involve different service provider partners from one city to the next, but one thing is consistent, addressing the crisis requires significant financial resources. While cities across Oregon have developed programs, expanded service efforts, built regional partnerships, and have significantly invested both their local General Fund and federal CARES Act and American Rescue Plan Act dollars into programs to address the homelessness crisis in their respective communities, the crisis continues. The homelessness crisis exceeds each city’s individual capacity – necessitating the need for meaningful fiscal support from the State of Oregon.

Infrastructure Funding to Support Needed Housing

Legislative Concept: *The LOC will support state funding for infrastructure needed to support needed housing.*

Background: As Oregon works to overcome its historic housing supply deficit, development costs continue to rise. Cities have limited tools to address the rising costs of infrastructure necessary to support the impact of new housing development. A statewide fund to address infrastructure costs and improve housing affordability is needed.

Economic Development Incentives (co-sponsor with Tax and Finance Committee)

Legislative Recommendation: *The LOC will support legislation to preserve and strengthen discretionary local economic development incentives including the Enterprise Zone (EZ), Long Term Rural Enterprise Zone (LTREZ) and Strategic Investment Program (SIP).*

Background: The EZ and LTREZ programs provide local governments the option to offer a temporary full exemption from property taxes for qualified new property of a business (3 to 5 years for the standard EZ and 7 to 15 years for the rural EZ). The SIP program allows local governments to offer a 15-year

partial exemption on the value of new property that exceeds a certain investment threshold (\$25 million to \$100 million depending on location and total project value). Recent studies by Business Oregon confirmed what city economic development professionals knew; these incentive programs are crucial for Oregon to remain competitive nationally and show massive benefits to Oregon in terms of jobs, enhanced economic activity, and tax revenues. The EZ and LTREZ programs will sunset in 2025 without action by the legislature, and “gain share” provisions of the SIP program transferring a portion of income taxes resulting from qualified projects to local governments will sunset in 2026. The LOC will advocate for sunset extensions and for changes that will improve the programs, and advocate against any changes that will reduce local control or devalue the incentives.

Community Resiliency and Wildfire Planning

Legislative Recommendation: *The LOC will support investments for climate and wildfire resiliency planning, as well as infrastructure upgrades, to fill existing gaps and assist cities in planning for extreme weather events and wildfire.*

Background: Oregon communities are increasingly looking for help planning for climate change impacts, including infrastructure upgrades, to handle extreme weather events. Cities of all sizes, especially small to mid-sized cities, need technical assistance and additional capacity to better plan for and recover from climate events and wildfire. Investments in infrastructure upgrades, repairs, and resiliency will help rebuild communities, better ensure equity and access to critical services, protect public health and the environment, improve community resiliency, and promote economic recovery.

Brought to you by the General Government Policy Committee

Protecting Public Employees and Officials

Legislative Recommendation: *The LOC will introduce legislation to protect the personal contact information of public employees and increase criminal sanctions when public officials and employees are subject to criminal activity connected to their service.*

Background: Cities have seen an increase in harassments, threats and property damage in recent years. Over 80 percent of city leaders who participated in a National League of Cities [report](#) on public civility indicated they had personally experienced harassing or harmful behavior because of their role as a public official. Additionally, an ambiguity in the phrasing in a statute intended to protect the private information of public employees may require an employer to release home addresses, personal emails and contact information.

Return to Work

Legislative Recommendation: *Eliminate the sunset on the ability of retirees to return to work.*

Background: PERS covered retirees are currently allowed to return to work without suffering a tax or pension penalty until 2024. Allowing retirees to return to work allows employers to fill critical vacancies while not paying pension and other costs in times of both fiscal hardships and workforce scarcity. The sunset was established as part of a compromise PERS reform package passed in 2017 but has been successful for retirees and employers.

Attorney Client Privilege

Legislative Recommendation: *Ensure that privileged communications between public bodies and officials and their legal counsel remain confidential indefinitely.*

Background: A recent court ruling limited public sector attorney client privilege to 25 years, which is identical to the lifespan of other public records exemptions. The LOC believes that public officials should have the same right to unimpeded legal counsel as all other attorney clients.

Address Measure 110 Shortcomings

Legislative Recommendation: *Restore criminal justice incentives for seeking treatment for addiction while ensuring a path for expungement for successfully completing a treatment program.*

Background: Oregon voters passed Measure 110 in 2020 which eliminated criminal sanctions for simple possession for most narcotic drugs and replaced them with a waivable \$100 ticket. A citation cannot be issued if a person seeks treatment by calling a treatment referral service. The measure also re-dedicated local marijuana revenue to harm reductions services. Those funds are now pooled and distributed by an oversight and accountability committee. Oregon's overdose deaths continue to increase and funds that should have been distributed in January of 2021 are still not delivered. Additionally, problems related to drug abuse such as property crime have increased.

Brought to you by the Energy and Environment Policy Committee

Building Decarbonization, Efficiency, and Modernization

Legislative Recommendation: *The LOC will support legislation to protect against and rollback preemptions to allow local governments to reduce greenhouse gas emissions from new and existing buildings while ensuring reliability and affordability. Some initiatives may include a local option Reach Code, statewide home energy scoring or financial incentives like [CPACE](#).*

Background: Homes and commercial buildings need a lot of power. In fact, they consume nearly half of all the energy used in Oregon according to the Oregon Department of Energy 2020 Biennial Energy Report. Existing buildings need to be retrofitted and modernized to become more resilient and efficient. New buildings can be built with energy efficiency and energy capacity in mind, so they last longer for years to come, reduce the energy burden on occupants, and are built to a standard that is futureproof for carbon reducing technologies like electric vehicles

Continue Investments in Renewable Energy

Legislative Recommendation: *The LOC will work to identify barriers and potential solutions to local energy generation and will pursue funding assistance for feasibility studies and project implementation. The LOC will support legislation to study and invest in viable, preferably locally generated, options and to divest the Oregon Treasury from fossil fuels.*

Background: Renewable energy sources can be used to produce electricity with fewer environmental impacts. Local energy generation projects can better position cities to pursue and achieve local climate action goals, address capacity constraints of existing electric transmission lines, and can help cities respond to individual businesses that may be seeking green energy options. The types of local energy generation projects discussed by the committee include, but are not limited to, small-scale hydropower, in-conduit hydropower, methane capture, biomass and solar. Such projects are not intended to conflict

with existing low-carbon power purchase agreements but can position cities to pursue local climate action goals and supplement energy needs through renewable generation.

Investment in Community Climate Planning Resources

Legislative Recommendation: *The LOC will support investments that bring climate services (for mitigation and adaptation) together and work to fill the existing gaps to help communities get the high-quality climate assistance they need quickly and effectively.*

Background: Oregon communities are increasingly looking for help planning for climate change impacts and implementing programs to reduce greenhouse gases. Interest in climate services has continued as communities experience increasing disruptions caused or made worse by climate change. Oregon's small to mid-sized communities and rural communities are particularly in need of both technical assistance and additional capacity to address climate impacts and do their part to reduce greenhouse gas emissions. While some climate resources exist in Oregon, those programs are dispersed throughout state government, the nonprofit world, and academic institutions. Because of this current structure, it is not clear for communities what they should do once they decide to act on climate change.

Adequate Funding for State Climate Initiatives

Legislative Recommendation: *The LOC will support legislation to streamline processes and fully fund local implementation of climate mandates (like [Climate Friendly and Equity Communities](#) rules) from the state. Furthermore, the LOC will support legislation that allows the state to adequately maintain and staff programs that impact a city's ability to reduce greenhouse gas emissions.*

Background: On March 10, 2020, Governor Kate Brown signed [Executive Order 20-04](#) directing state agencies to take action to reduce and regulate greenhouse gas emissions. Additionally, the state has legislatively passed many greenhouse gas reduction measures. This has led to some unfunded mandates on cities as well as a significant workload for agency staff.

Brought to you by the Finance and Taxation Policy Committee

Property Tax Reform

Legislative Recommendation: *The LOC will advocate for constitutional and statutory reforms to the property tax system to enhance local choice, equity, fairness, and adequacy.*

Background: The property tax system is broken and in need of repair due to constitutional provisions in Measures 5 and 50 that were adopted by voters in the 1990s. The current system is inequitable to property owners and jurisdictions alike, is often inadequate to allow jurisdictions to provide critical services, removes meaningful local choice, and is incomprehensible to most taxpayers. Local governments and schools rely heavily on property tax revenues to pay for services and capital expenses. With federal pandemic aid to cities coming to an end and inflation looming, cities are concerned that their top revenue source will not allow residents to adequately fund the services that they demand. Therefore, the LOC will take a leadership role in pursuing efforts to draft and advocate for both comprehensive and incremental property tax reform option packages, including forming coalitions with other interested parties. The LOC will remain flexible to support all legislation that improves the system, but will, in the short term, focus on incremental changes that will allow for a foundation on which to build for broader revisions going forward. The LOC's overall focus will be on a property tax package that includes, but may not be limited to these elements:

- In the short term, advocating for a system that restores local choice and allows voters to adopt tax levies and establish tax rates outside of current limits and not subject to compression. This may also include advocating for a local option levy that has passed three or more times to become permanent (requires constitutional referral).
- Also in the short term, advocating for statutory changes to extend statewide a 2017 Multnomah County pilot that created an option that new property has a taxable value determined based on the city average of maximum assessed value to market value as opposed to countywide average.
- Over the longer term, to achieve equity, advocating for a system that has taxpayers' relative share tied to the value of their property, rather than the complex and increasingly arbitrary valuation system based on assessed value from Measure 50 (requires constitutional referral).
- Also over the longer term, to enhance fairness and adequacy, advocating for various statutory changes, some of which would adjust the impact of the above changes. For example, as a part of comprehensive reform the LOC will support targeted tax relief for lower income residents to make sure reform does not price vulnerable residents out of their homes.

Lodging Tax Flexibility

Legislative Recommendation: *The LOC will advocate for legislation to enhance flexibility in how cities may use transient lodging tax revenues. The goal is to help cities better serve visitors and improve local conditions that support the tourism industry.*

Background: The Legislature created the *state* lodging tax in 2003, and with it a new requirement that 70% of net revenues from new or increased *local* lodging taxes must be used for “tourism promotion” or “tourism related facilities.” Cities acknowledge and appreciate the economic development benefits that tourism brings to their local economies, but often struggle to support the industry in areas like public safety, infrastructure, workforce housing, and homeless services. Enhanced flexibility and clarification of allowed use of funds will benefit both visitors and business owners alike.

Economic Development Incentives (co-sponsor with the Community Development Committee)

Legislative Recommendation: *The LOC will support legislation to preserve and strengthen discretionary local economic development incentives including the Enterprise Zone (EZ), Long Term Rural Enterprise Zone (LTREZ) and Strategic Investment Program (SIP).*

Background: The EZ and LTREZ programs provide local governments the option to offer a temporary full exemption from property taxes for qualified new property of a business (3 to 5 years for the standard EZ and 7 to 15 years for the rural EZ). The SIP program allows local governments to offer a 15-year partial exemption on the value of new property that exceeds a certain investment threshold (\$25 million to \$100 million depending on location and total project value). Recent studies by Business Oregon confirmed what city economic development professionals know; these incentive programs are crucial for Oregon to remain competitive nationally and show massive benefits to Oregon in terms of jobs, enhanced economic activity, and tax revenues. The EZ and LTREZ programs will sunset in 2025 without action by the legislature, and “gain share” provisions of the SIP program transferring a portion of income taxes resulting from qualified projects to local governments will sunset in 2026. The LOC will advocate for sunset extensions and for changes that will improve the programs, and advocate against any changes that will reduce local control or devalue the incentives.

Marijuana Taxes

Legislative Recommendation: *The LOC will continue to advocate for increased revenues from marijuana taxes. This may include proposals to restore state marijuana tax losses related to Measure 110 (2020) distribution changes, and to increase the current 3% cap on local marijuana taxes so local voters may choose a rate that reflects the needs of their community.*

Background: Recreational marijuana retailers are required to charge a state-imposed retail sales tax of 17 percent for all recreational marijuana sold. Until the end of 2020 cities received 10% of the net revenue from the state tax but Measure 110 changed the distribution formula and will reduce city distributions by an estimated 73% for the 2021-23 biennium. Cities may also impose a local retail sales tax of up to 3%, subject to voter approval. Tax rates for recreational marijuana vary widely across the states, but the total Oregon tax burden is 20-25% percent below other West Coast states. Unbiased academic studies indicate Oregon could increase marijuana taxes without pushing significant business to the illicit market. If the Legislature is not willing to allow increased taxes it should restore city revenues by other means back to what was agreed to when recreation marijuana was legalized.

Alcohol Revenues

Legislative Recommendation: *The LOC will advocate for enhanced revenues from the sale of alcohol to mitigate the impact of recent legislative changes that will otherwise reduce this crucial revenue source.*

Background: Oregon's beer tax has not been increased since 1978 and is \$2.60 per barrel which equates to about 8.4 cents per gallon or less than 5 cents on a six-pack. Oregon has the lowest beer tax in the country, and to get to the middle of the states Oregon would need a more than 10-fold increase. Oregon's wine tax is 67 cents per gallon and 77 cents per gallon on dessert wines, this is the second lowest tax nationwide, and the first 2 cents of the tax goes to the wine board. Oregon is a control state and is the sole importer and distributor of liquor, which accounts for about 94% of total alcohol revenues. The Oregon Liquor and Cannabis Commission (OLCC) sets retail prices at about 105% of their cost and net revenues are distributed based on a formula. Cities are preempted from imposing alcohol taxes. In exchange, cities receive approximately 34% of the state alcohol revenues after the state takes 50% of beer and wine taxes off the top prior to this distribution. Recent legislative changes will reduce city revenues; the legislature approved a more generous compensation formula for liquor store owners in 2021 and approved a 148% cost increase for a planned OLCC warehouse in 2022. Both changes will reduce distributions to cities. Cities have significant public safety costs related to alcohol consumption and taxes on alcohol do not cover their fair share of these costs. There are numerous ways to address the issue: increasing taxes on beer or wine (possibly through a local sales tax option), increasing the markup on liquor, or increasing the per bottle surcharge currently in place at liquor stores and dedicating the funds to paying for the planned OLCC warehouse.

Brought to you by the Telecommunications, Broadband Policy Committee

Digital Equity and Inclusion

Legislative Recommendation: *The LOC will advocate for legislation and policies that help all individuals and communities have the information technology capacity needed for full participation in our society, democracy, and economy.*

Background: Connectivity is crucial to modern life. It is being relied on more for how people do business, learn, and receive important services like healthcare. As technology evolved the digital divide has become more complex and nuanced. Now, discussion of the digital divide is framed in terms of whether a population has access to hardware, to the Internet, to viable connection speeds and to the skills they need to effectively use it.

Resilient, Futureproof Broadband Infrastructure and Planning Investment

Legislative Recommendation: *The LOC will support legislation that will ensure broadband systems are built resiliently and futureproofed while also advocating for resources to help cities with broadband planning and technical assistance through direct grants and staff resources at the state level. The LOC will support legislation that addresses issues with the inconsistency of regulations applied to traditional and nontraditional telecommunications service as more entities move to a network based approach instead of what services are being provided. LOC will oppose any preemptions on local rights-of-ways, and municipalities right to own poles and become broadband service providers.*

Background:

Broadband Planning and Technical Assistance

Most state and federal broadband infrastructure funding sources require that communities have a broadband strategic plan in place to qualify for funds. Unfortunately, many cities do not have the resources or staff capacity to complete comprehensive broadband strategic plans.

Resilient and Long-Term Systems

As broadband is continually being made a priority on the state and federal level, we must think strategically about how to build resilient long-term networks that will serve Oregonians now and into the future. Ways to ensure broadband is resilient may include investing in robust middle mile connections, ensuring redundancy and multiple providers in all areas, and undergrounding fiber instead of hanging it on poles.

Optional Local Incentives to Increase Broadband Deployment

All levels of government have identified broadband as a priority. However, there continue to be proposed mandates on local governments to deploy broadband services more quickly. Cities have a duty to manage rights-of-ways (ROW) on behalf of the public and need flexibility to adequately manage the ROW. Instead of mandates the state should focus its efforts on allowing cities the option to adopt incentives that could help streamline broadband deployment.

Regulatory Consistency Amidst Convergence

Historically, the standards and oversight policies for a specific technology were established independently and were not developed with merging or interoperability in mind. For example, telephony (when providing voice), cable TV (when providing video), and mobile cellular technologies each follow their respective standards, and these services were regulated by policies specific to each type.

Incentives for Broadband Affordability, Adoption and Consumer Protections

Legislative Recommendation: *The LOC will seek additional state support and funding for increased broadband adoption and affordability and will advocate for consumer protections for those accessing the internet, internet enabled devices and broadband service.*

Background: Broadband infrastructure is being funded at a historic level. For that infrastructure to be adequately utilized affordability and adoption initiatives must receive investment. Initiatives that would help could include studying barriers to adoptions and affordability; ensuring adequate competition in providers; investing in more data centers statewide so service is cheaper for regions outside of the I-5 corridor as it is simply more expensive per megabit to provide; and ensuring providers are widely advertising programs meant for those with limited means.

Additionally, problems with internet providers are among the most common consumer complaints in Oregon. Complaints often involve paying more than expected, difficult cancellation policies and poor service. Consumers are at risk of being advertised or offered services that are not actually being delivered. For example, 25/3 is the current definition of broadband. Currently, providers are allowed to advertise

speeds as “up to” 25/3 or a certain speed. There is no one enforcing whether or not providers actually hit their advertised speeds. Providers should be accountable for making sure consumers have the appropriate equipment for the services they are paying for.

Cybersecurity & Privacy

Legislative Recommendation: *The LOC will support legislation that addresses privacy and cybersecurity for all that use technology, including but not limited to: funding for local government cybersecurity initiatives, statewide resources for cyber professionals, regulations of data privacy, or standards for software/hardware developers to meet to make their products more secure.*

Background: Society is becoming more technologically reliant than ever before and that will only increase. With this increase of technology there is an increased risk for cybercrimes. Therefore, cybersecurity and privacy systems must be taken seriously. Cybersecurity encompasses everything that pertains to protecting sensitive data, protected health information, personal information, intellectual property, data, and governmental and industry information systems from theft and damage attempted by criminals and adversaries.

Cybersecurity risk is increasing, not only because of global connectivity but also because of the reliance on cloud services to store sensitive data and personal information. Widespread poor configuration of cloud services paired with increasingly sophisticated cyber criminals means the risk that governments, businesses, organizations, and consumers suffer from a successful cyberattack or data breach is on the rise.

Brought to you by the Transportation Policy Committee

Transportation Safety Enhancement

Legislative Recommendation: *The LOC supports legislation that improves the overall safety of the transportation network in communities. The LOC will achieve this outcome by expanding authority for establishing fixed photo radar to all cities, increasing flexibility for local speed setting authority, and increased investment in the “safe routes to schools” and expansion of the “great streets” programs.*

Background: The City of Portland has demonstrated improved safety outcomes in neighborhoods with the addition of fixed photo radar along high-crash corridors. LOC’s efforts to expand the use of fixed photo radar to additional cities failed during the 2021 Session. ([HB 2019](#)) - High Crash Corridor for City of Unity) and ([HB 2530](#)) - Extending Fixed Photo Radar) were supported by the LOC, but lacked sufficient support from legislators to advance.

During the 2019 Session the LOC supported [SB 558](#), which would authorize a city to designate speed for a highway under the city’s jurisdiction that is five miles per hour lower than statutory speed when the highway is in a residential district and not an arterial highway. During the 2021 Session passage of [HB 3055](#) (Sect 81 (5)(g)) extended speed setting authority to highways within the jurisdictional boundaries of cities and Multnomah & Clackamas counties.

Road User Fee – Vehicle Miles Traveled (VMT) Structure

Legislative Recommendation: *The LOC will support replacement of Oregon’s Gas Tax with a road impact fee structure that will capture added revenue from cities with local gas tax structure. The pricing structure should also maintain a weight-mile tax structure to make sure that there is an impact element of the fees paid for transportation infrastructure.*

Background: The LOC has historically advocated for a fee structure that more closely matches road usage. Gas tax revenues are a declining source of revenue due to enhanced mileage in new vehicles and the increase of electric vehicles on roads.

New Mobility Services

Legislative Recommendation: *The LOC supports the entry and utilization of a variety of new mobility services that support a safe, sustainable, and equitable multimodal transportation system, while preserving local government’s authority to regulate services and ensure public and consumer safety in communities.*

Background: The expansion of mobility services presents local governments with opportunities and challenges. Mobility services include Uber, Lyft, scooters, E-bikes, and food service delivery such as DoorDash, and UberEATS. Many cities across the country have initiated efforts to add regulatory oversight of these services to provide a base level of safety to consumers. Companies such as Uber and Lyft have tried to de-regulate their business model in states specifically introducing legislation that would pre-empt local governments to regulate and establish steps that protect their respective communities. The LOC has supported efforts during the 2019 session such as [HB 3379](#) and opposed efforts that pre-empted local governments such as [HB 3023](#).

Brought to you by the Water and Wastewater Policy Committee

Funding for Recovery of Abandoned Recreational Vehicles

Legislative Recommendation: *The LOC supports the formation of a recovery fund that cities could access for disposing of abandoned Recreational Vehicles (RV).*

Background: With the ongoing houseless and affordable housing crisis cities have experienced an increase in dumping of vehicles and RVs in neighborhoods, streets and the right-of-way. The costs associated with towing, recovery, and determining ownership has presented significant costs in some communities. Several cities are allocating hundreds of thousands of dollars to recover abandoned vehicles from streets, parks, private property, and other locations. Tow companies have expressed an interest in a recovery fund as well, since the companies must deal with storage and disposal of the vehicles, which presents several challenges.

Water Utility Rate and Fund Assistance

Legislative Recommendation: *The LOC will collaborate with members of the bipartisan work group to continue the proposed legislative purpose of the Low-Income Household Water Assistance (LIHWA) program.*

Background: The LOC was successful during the 2021 legislative session in advocating for the development of a new water utility funding assistance program for ratepayers experiencing ongoing or recent economic hardships. The LOC worked with a bipartisan work group to pass legislation that formed

the Low-Income Household Water Assistance (LIHWA) program which received federal funding for the initial implementation through the Consolidated Appropriations Act of 2021 and the American Rescue Plan Act (ARPA) of 2021. The program was incredibly successful, but the federal funding that was allocated to the State of Oregon was already exhausted in some counties in the Spring of 2022.

The bipartisan workgroup's intent was to make this program a permanent program, with initial pilot funding provided by the federal government.

Place-Based, Water Resource Planning (Program Support)

Legislative Recommendation: *The LOC will advocate for the funding needed to complete existing place-based planning efforts across the state and identify funding to continue the program for communities that require this support.*

Background: Oregon's water supply management issues have become exceedingly complex. Lack of adequate water supply and storage capacity to meet existing and future needs is an ongoing concern for many cities in Oregon and is a shared concern for other types of water users including agricultural, environmental, and industrial. The Legislature created a place-based planning pilot program in Oregon administered through the Oregon Water Resources Department that provides a framework and funding for local stakeholders to collaborate and develop solutions to address water needs within a watershed, basin, or groundwater area. The LOC Water & Wastewater Policy Committee recognized that while this funding is limited to specific geographic areas, they also recognized the importance of successfully completing these pilot efforts and conducting a detailed cost/benefit analysis. It is a critical step to demonstrate the benefits of this type of planning. If these local planning efforts prove to be successful, there will likely be future efforts to secure additional funding for other place-based planning projects across the state in 2022.

Infrastructure Financing and Resilience

Legislative Recommendation: *The LOC will advocate for an increase in the state's investment in key infrastructure funding sources, including, but not limited to, the Special Public Works Fund (SPWF), Brownfield Redevelopment Fund, Regionally Significant Industrial Site loan program, and set asides through the SPWF for seismic resilience planning and related infrastructure improvements to make Oregon water and wastewater systems more resilient.*

Background: A key issue that most cities are facing is how to fund infrastructure improvements (both to maintain current and to build new). Increasing state resources in programs that provide access to lower rate loans and grants will assist cities in investing in vital infrastructure. An LOC survey of cities in 2016 identified a need of \$7.6 billion dollars over the next 20 years to cover water and wastewater infrastructure projects for the 120 cities who responded. This shows a significant reinvestment in the Special Public Works Fund (SPWF) is needed to help meet the needs of local governments.