

CITY OF ALBANY
CITY COUNCIL WORK SESSION
Municipal Court Room
Monday, January 9, 2017
4:00 p.m.

MINUTES

CALL TO ORDER

Mayor Sharon Konopa called the meeting to order at 4:03 p.m.

ROLL CALL

Councilors present: Mayor Sharon Konopa and Councilors Dick Olsen, Ray Kopczynski, Mike Sykes, Rich Kellum, and Bessie Johnson.

Councilors absent: Bill Coburn (excused).

BUSINESS FROM THE PUBLIC

There was no business from the public.

UNIVERSITY OF OREGON SUSTAINABLE CITY INITIATIVE REPORT

Planning Manager Bob Richardson explained that the Sustainable City Year Program (SCYP) matches the expertise of faculty at the University of Oregon (UO) with the energy and ideas of the students there and pairs them with projects that have been previously budgeted for by the City. He provided a recap of the projects completed in the university's fall term. Economic Development Department projects included a Water Avenue corridor study and an architecture studio class looking at concepts for design of new buildings or redesign of existing buildings in the downtown area. The students focused on a theme established by the Albany Downtown Association of "eat, shop, play." Students looked at multiple sites including the Post Office property, the City-owned parking lot behind the JC Penney building, and the St. Francis Hotel and developed concepts for how those properties might be used. Their proposals are on display at Albany City Hall.

Richardson explained that the Parks and Recreation Department partnered with students from public budgeting and community development classes to work on components of the Parks Master Plan; the Community Development Department and Planning Division partnered with a journalism class to look at ways to better communicate and engage property owners within Albany's historic districts; and the Public Works Department partnered with students from an industrial ecology class to provide an analysis of possible markets for the sale of composted bio-solids. The projects are all consistent with the City's Strategic Plan themes of Great Neighborhoods, Safe City, Health Economy, and Effective Government. Some of the projects directly address specific objectives identified in the Strategic Plan including the Healthy Economy objective to support Albany's historic character, the Safe City objective to effectively manage bio-solid waste, and the Great Neighborhood goal to provide recreational and cultural opportunities and effectively manage parks and natural areas.

Richardson stated that City staff is working closely with UO faculty to ensure that all projects are building on another in terms of themes but also over time. Students in the winter term will build on what was completed in the fall term, then spring term students will build on the work of both winter and fall terms.

Megan Banks from the UO SCYP commended City staff for their partnership in this program. She said that 9 classes have been scheduled with 12 projects for the winter term, and 8 classes with 10 projects have been scheduled for the spring term. She stated that through this process, the university is creating civic-minded students and future civic professionals, adding that she's had more UO faculty members express an interest to be part of this project than in any other program year. Banks thanked the Council and said the students really appreciate their difficult questions and feedback. She also highlighted some of the benefits of having students do this work: new and uninhibited approaches and concepts; making contact with groups that staff or elected officials aren't able to; a real interest by students to receive feedback; the ability to touch on cost-layers and cost-overlaps with City projects and identify alternative revenue streams; and the value of being able to leverage City resources by bringing in the capacity of students. She added that students are interested, given the opportunity, to take on internships with the City.

Parks and Recreation Director Ed Hodney noted that the high quality of students who worked with the Parks and Recreation Department during the fall term inspired him to extend offers of internships to students. He added that the Parks and Recreation Department uses interns year-round and has been doing so for years. He feels it's a great way to bring fresh ideas into a small staff that doesn't have the time or resources to be innovative. Hodney believes that the winter term will bring interest from some of the business class students as well. He feels there is a value added from this project that wasn't necessarily anticipated at the start.

Councilor Rich Kellum said it was his understanding that the architecture students were told to design without consideration for cost. He is concerned that this is unrealistic and won't be beneficial to staff or future contractors who then have to drastically pare down designs in order to make them financially feasible. He is also concerned about the project that focuses on communication with property owners in the downtown area.

He feels the City has a problem with communication with residents from other areas as well; he would like to see involvement across the entire city, not just the downtown area.

Banks explained that at the level students are at currently, they aren't ready to incorporate costs estimates. The goal is to work on designs and come up with new ideas. Banks said that what other cities have reported is that while the designs are not detailed enough to be cost estimated, the work students are doing has provided a better result than if they'd issued a request for architectural proposals. Hodney explained that the classes are roughly 10 weeks, so there's not a lot of time for an architectural studio to explore a budget and feasibility study. He added that the business classes coming on in winter term would be asked to build on the design work of the St. Francis project and develop an analysis and feasibility study. They will answer the question of whether or not the project is financially viable. Discussion followed. Councilor Ray Kopczynski commented that the students are relatively fearless, and he wants to see their grandiose designs; the designs can always be pared back.

Banks provided a list of projects and their status (see agenda file).

Konopa said she appreciates the fact that students come from outside the community and present their ideas and visions for Albany. She added that the students did a great job with their presentations for fall term.

Banks noted that UO students are scheduled to visit Albany later in the week to tour parts of downtown and other project sites.

SOMERSET EXTENSION/DEVELOPMENT AGREEMENT

Public Works Engineering and Community Development Director Jeff Blaine provided a handout labeled "Former Brandis Property" (see agenda file), which is property now owned by the City. Blaine explained that last year, Developer Myles Breadner proposed a development to the north of the City-owned property. At that time, staff determined that he met all development review criteria; but upon hearing public testimony over concerns of traffic congestion, the Planning Commission denied Breadner's application. Rather than appeal the denial through the Land Use Board of Appeals, Breadner approached City staff about a partnership opportunity. The partnership involves getting street and development extensions to Breadner's property through the City-owned property to the south. Staff brought this concept before Council last year, and Council agreed to pursue additional discussions. At that time, Council also asked staff to work with Greater Albany Public Schools (GAPS) for a school in the area, and a need for a small park was identified as well. Blaine explained that all of the items are happening within the lot identified with a green star on the handout.

Blaine provided a handout labeled "Wetland Map" (see agenda file), which shows the wetlands delineation for the City-owned properties. Blaine explained that staff has determined the most equitable way to handle road improvements would be for Breadner to prepay the System Development Charges for development and provide a \$400,000 cash contribution, which Breadner has offered to do. Blaine explained that those payments should pay for most of the street construction.

Blaine provided a handout labeled "Proposed Development" (see agenda file). He explained that the map is of the northernmost City-owned tax lot with the hashed areas showing where the road and utility improvements would be. He noted that there are still about 13 developable acres to the south of those improvements. GAPS would require 10 acres for a school, and roughly 3 acres would be needed for the park. Blaine explained that staff has also proposed developing 26 single-family residential (SFR) lots, which the City would own and be able to sell in order to recover costs into the property.

Blaine summarized, saying that through this proposal, the City would have \$400,000 toward improvement of City-owned property that wouldn't otherwise be available. Additionally, the City will meet the express desires of the neighboring property owners to provide a secondary outlet for traffic, and future development of the City's property won't have to fund the developments because they'll already be in place. Lastly, the City will have some SFR lots to sell in order to recoup costs, which won't comprise the other needs in the area.

Blaine explained that staff needs to know from Council whether they'd like to move ahead with the proposal. If Council were not interested in pursuing this type of agreement, Breadner needs to know that so that he can resubmit his previous development application and work toward starting construction next summer separate from this process.

Breadner addressed Council, saying that he has brought proposals to Council for over 20 years, and it is always preferable to make all parties happy. He explained that in his initial development application, the Fire Department approved a single outlet if the homes were equipped with fire sprinkler systems, but the neighbors expressed concerns over traffic congestion without a secondary outlet. Breadner added that it is preferable to make the neighbors happy, so he began collaborating with City staff to determine whether it was possible to get a secondary access in place.

Councilor Bessie Johnson commented that the City has a good working relationship with Breadner. She asked for clarification why Breadner's application was denied by the Planning Commission. Blaine explained that the denial was based on the public testimony received related to traffic issues.

In response to a question from Johnson, Transportation Systems Analyst Ron Irish clarified that a single access is acceptable from a traffic standpoint; it is typically the Fire Department that drives the need for an additional access or for the homes to have sprinkler systems. In this case, Breadner is using the funds saved from not having to sprinkle the homes and redirecting that money to street improvements. Blaine added that the hope is for more trips to be redirected to the Knox Butte Road roundabout and away from Clover Ridge Road, which is what was envisioned when the roundabout was originally constructed.

Kopczynski said he was definitely in favor of moving forward. Discussion followed related to the extension of Santa Maria Avenue, which Blaine clarified is a project separate from this one.

Councilor Mike Sykes questioned the City's approach to develop lots for sale and get into the real estate business, effectively competing with other developers. He asked whether staff had approached Breadner, for example, about taking on the development of this property. Blaine explained that with all of the complications associated with putting in the infrastructure, Breadner was not interested. City Manager Wes Hare explained that the City never intended to own the property. The City agreed to form a Local Improvement District to finance the infrastructure necessary to build Timber Ridge School and assessed the neighboring properties. At the time, the property was extremely valuable and it wouldn't have been a problem at all to recover the assessments. The recession then caused a major decrease in property values, and the City accepted a deed in lieu of foreclosure because the property owners no longer wanted the property. GAPS is very interested in the property and the City has been working for the last couple of years to resolve some of the wetlands issues that GAPS is concerned about. In the meantime, the issue came up with Breadner's property. Discussion followed.

Council directed staff to move ahead in drafting an agreement with Breadner for the Somerset extension across the City-owned property. A full report and draft agreement will be brought back to Council for consideration at a future Council meeting.

STRATEGIC PLAN REVIEW

Assistant City Manager/Chief Information Officer Jorge Salinas outlined changes to be made to the draft Strategic Plan based on feedback received from Council:

- Page 5, Objective GN-1 – reinstate City Managers' Office as a department responsible for this item in addition to Albany Police Department.
- Page 9, Objective SC-1 – update the wording in the action line to reflect a completion date of September 2017 for both Police and Fire buildings. Also update the table on page 9 for both SC-1 objectives.
- Page 10, Objective SC-10 – reinstate the wording “consider sale of proceeds of the Armory to fund police and fire equipment replacement.”
- Page 20, Objective EP-17 (Recruit and hire new City Manager and Finance Director) – adjust the completion date for the Finance Director position to October 2017.
- Page 20, Objective EP-17 (Recruit and hire new Human Resources Director) – adjust the completion date for the objective to October 2017.
- Page 23, Police section, third bulleted item – adjust wording in the last sentence to reflect September 2017 as the completion date for the new Police Station.

Salinas also addressed the following questions received from Council:

- Table on page 8, GN-10 (Annual number of library visits) – Council raised a question about the number of visits being reduced. Library Director Ed Gallagher informed Salinas that this is because of more patrons accessing library resources through their electronic devices. There are about 5,000 fewer hours of usage on Library Department devices as more visitors are bringing their own devices or they now have devices at home.
- Table on page 12, SC-13 (Number of fire compliance inspections) – Council raised questions about the reduction in inspections. Fire Chief John Brander informed Salinas that the forecast for inspections is down because of an evaluation completed by a new Fire Marshall and new staff members who have determined that the new figures are what can truly be accomplished.
- Table on page 21, EP-5 (Reduce water loss to 10 percent or less) – Salinas noted that the Public Works had previously listed this item as a goal to achieve by 2019, but they have already accomplished the goal in 2016. Future years will be updated to reflect water loss goals of less than 10 percent.

Konopa noted that the City used to have a day of goal setting each year where staff and Council would spend an entire day working on goals but only see one or two things accomplished from that list. She believes that the Strategic Plan has given much clearer direction to staff and saves a lot of Council and staff time in reviewing the document each year. Hare agreed, saying the Strategic Plan takes the focus away from one year, instead laying out long-term goals for citizens and staff, outlining what Albany wants to accomplish over time, and developing an idea for what the City will look like in the future.

Salinas explained that all of the tables included in the Strategic Plan document are available on the City's website at <http://data.cityofalbany.net> with information going back five years so that citizens can see what objectives have been accomplished.

Council directed staff to finalize the Strategic Plan incorporating the changes Salinas outlined and to include the finalized document in discussions with the Budget Committee.

BUSINESS FROM THE COUNCIL

Return of the Duck

Konopa reviewed the information provided in the agenda packet. She said she's heard from many people over the years that they want to see the duck return to Waverly Lake. She feels that if Council were to ignore this opportunity, there would be many disappointed residents in Albany. She believes Council needs to do their due diligence to determine whether this project is feasible and whether it will be financially supported by private funds to either restore the duck or construct a new one. Konopa noted that the duck is enjoyable for children and parents exiting the freeway, and it brings a smile to the faces of people entering Albany. Johnson agreed, saying that when she moved to Albany from Southern Utah in 1988, she still remembers that the duck was the first thing she saw; the duck is very memorable. Kellum said he doesn't see City staff spending time on this other than perhaps placing and removing the duck from the lake each year. Discussion followed.

Council agreed to accept donation of the Waverly Duck, evaluate what repairs would be necessary or whether it was beyond repair, and explore private funding options from the community. No City funds are to be spent on repairs or construction of a new duck.

Tobacco Sales Codes

Kopczynski explained that he attended a meeting of the Benton County Board of Commissions about a year ago, at which time they were looking for cities to partner with them on tobacco regulations. At that time, Albany chose to wait and see what the County was going to do. Kopczynski said the letter included in the agenda packet is the first he's heard about this issue since that time. He said he doesn't see any specific issue with Albany endorsing the regulations, but he feels it's just going to be one more set of regulations that doesn't have much impact. Konopa added that this item was discussed at a meeting of Council of Governments and it was stated that regulations should be up to each jurisdiction. Kellum said he doesn't see that there's a problem needing to be addressed. Hare explained that the original concern was over hookah lounges that were opening in Corvallis, which were places where young adults could gather and smoke hookahs. The concern at that time was that it would spread to Albany, and the regulations were an effort to get ahead of the issue. Hare added that it was several years ago and there have not been any hookah lounges opening in Albany. Sykes said he doesn't see why they would impose additional regulations just for the sake of having them. Kopczynski and Johnson agreed. The Council did not take any action on this item.

Johnson asked staff whether there was a way for Council to find out about new projects happening in the community, such as the new hardware and grocery store going into the old Ray's Market location in North Albany, before she hears about it second hand through other sources. Konopa said she was also caught off guard by the news of a new store in that location and asked Salinas about it, and he showed her where the information is available on the website. Konopa added that Salinas is going to make a presentation about this to Council at a future meeting. Discussion followed. Richardson said he would work with the Information Technology Department to develop a report that could be emailed so that new project information can be provided to Council on a regular basis.

CITY MANAGER REPORT

Salinas provided information previously requested by Council related to Transient Lodging Tax (TLT) percentages charged by other cities or counties. Salinas provided a handout labeled "Total Tax Rates by City and State" (see agenda file). He pointed out that Oregon is listed on the fifth page, with tax rates for Bend, Medford, and Portland listed. Salinas provided a second handout (see agenda file) with tax rates for different counties in Oregon, showing the tax rate and dollar amount by thousand for 2004 through 2014. He noted that Linn County is listed on the second page. Salinas provided a third handout labeled "TLT Info" (see agenda file), which includes tax rates and TLT receipts for cities in close proximity to Albany.

Salinas stated that Council also wanted clarification on the amount of TLT funds that the City must spend on tourism. Salinas explained that in accordance with Oregon Revised Statutes 320.350, as of July 1, 2003, whatever the City of Albany was spending in terms of a percentage on promoting tourism at that time is the amount that must be spent on tourism going forward. In 2003, the City was spending approximately 40 percent on tourism. Salinas added that Albany currently maintains a ratio above 40 percent. In response to a question from Konopa, Salinas clarified that with any new tax imposed after July 2003, of the new tax, the City would be required to dedicate 70 percent to tourism. For instance, if the City were to impose an additional 1.0 percent tax now, a 0.7 percent tax would have to be dedicated to tourism promotion.

Salinas noted that while the TLT Ad Hoc Advisory Committee has not completed their discussions to bring a recommendation to Council, he has heard it mentioned that the Committee would like to recommend a \$100,000 allocation to the Linn County Fair & Expo Center in order to fund capital improvements. Salinas said that he is working on the budget process now and would like to incorporate the \$100,000 allocation. Salinas added that the County has committed \$100,000 this year toward improvements at the Expo. Hare added that if Council agreed to approve Salinas' proposal, he believes it would be appropriate to have an agreement with Linn County and include any conditions about how the funds are used that Council feels is appropriate. Konopa and Kellum agreed with Hare that an agreement would be necessary and the funds should be earmarked. Discussion followed.

Hare noted that there has been some discussion about whether or not to form a permanent TLT committee. Hare explained that the Ad Hoc Committee's process has been very labor intensive and has consumed much staff time. He is not in favor of spending a significant amount of time and resources on a permanent committee for a single funding source that is quite small compared to the overall budget, and for which the City already has a policy in place that is supposed to be reviewed in the budget process. Discussion followed. Kellum feels strongly that there needs to be a permanent TLT committee with marketing experts involved for ongoing, continuous review.

DIRECTION:

Council directed staff to use the current TLT policy to develop the budget for next fiscal year, adding a \$100,000 allocation to Linn County for capital improvements at the Linn County Fair & Expo Center. Staff will bring back an intergovernmental agreement with Linn County for Council approval. The majority of Council also agreed not to establish a permanent TLT Committee and directed staff to inform the Ad Hoc Committee that there was no need for them to incorporate the formation of a permanent committee into their recommendation to Council.

ADJOURNMENT

There being no other business, the meeting was adjourned at 5:58 p.m.

Respectfully submitted,

Reviewed by,

Holly Roten
Administrative Assistant I

Wes Hare
City Manager