

AGENDA

REGULAR CITY COUNCIL MEETING

September 11, 2017

5:30 p.m.

CITY HALL COUNCIL CHAMBER

313 COURT STREET

THE DALLES, OREGON

1. CALL TO ORDER
2. ROLL CALL OF COUNCIL
3. PLEDGE OF ALLEGIANCE
4. APPROVAL OF AGENDA
5. PRESENTATIONS/PROCLAMATIONS

A. The Dalles Farmers Market – Power of Produce Program Grant Report – Lynne Erickson

6. AUDIENCE PARTICIPATION

During this portion of the meeting, anyone may speak on any subject which does not later appear on the agenda. Five minutes per person will be allowed. If a response by the City is requested, the speaker will be referred to the City Manager for further action. The issue may appear on a future meeting agenda for City Council consideration.

7. CITY MANAGER REPORT
8. CITY ATTORNEY REPORT
9. CITY COUNCIL REPORTS

A. Request for Letter of Support of Diabetes Research

10. CONSENT AGENDA

Items of a routine and non-controversial nature are placed on the Consent Agenda to allow the City Council to spend its time and energy on the important items and issues. Any Councilor may request an item be “pulled” from the Consent Agenda and be considered separately. Items pulled from the Consent Agenda will be placed on the Agenda at the end of the “Action Items” section.

CITY OF THE DALLES

"By working together, we will provide services that enhance the vitality of The Dalles"

- A. Approval of July 17, 2017 Performance Management Work Session Meeting Minutes
 - B. Approval of July 19, 2017 Leadership Training Minutes
 - C. Approval of July 24, 2017 Regular City Council Meeting Minutes
 - D. Approval of Surplus and Donation of Various Items from the Police Department
11. PUBLIC HEARINGS
- A. Resolution No. 17-023 Establishing a Reimbursement District for Sanitary Sewer Improvements in East Ninth Street, East of Morton Street; and Setting an Effective Date
12. CONTRACT REVIEW BOARD ACTIONS
- A. Authorize Purchase of Used Regenerative-air Street Sweeper
13. ACTION ITEMS
- A. Oregon Veterans Home request for Funding of Weather Camera
 - B. Approval of Resolution No. 17-021 Adopting Vertical Housing Zone Policies and Appointing Vertical Housing Zone Manager
 - C. Approval of Ground Lease with Daniel Englund at the Columbia Gorge Regional Airport
 - D. Disposition of Wright Street Properties
14. ADJOURNMENT

This meeting conducted in a handicap accessible room.

Prepared by/
Izetta Grossman
City Clerk

THE DALLES FARMERS' MARKET POWER OF PRODUCE PROGRAM

INTERIM REPORT August 27, 2017

City Grant Amount:	\$1630
Farmers Market Match:	\$500
Total Program Funds:	\$2130

This market season's Power of Produce (POP) program for children kicked off on June 3. We printed 1,000 POP vouchers to distribute to children over the 20 market days this year. We limit each market day to 50 vouchers. As of the end of the August 26 market, we have distributed 650 Power of Produce vouchers worth \$2.00 each to children to buy fresh fruit and vegetables.

Of the \$1300 worth of vouchers distributed to children, \$1226 worth have been redeemed. Some children save their vouchers to buy something worth more than \$2 and redeem them at a later market.

We have 7 more markets left this season and will distribute an additional 350 POP vouchers valued at \$700.

Expenditures to Date:

POP Voucher Redemption:	\$1226.00
Printing of Vouchers:	<u>\$ 35.57</u>

Total	\$1261.57
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Balance to Expend:	\$ 868.43
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The remaining balance will pay for POP voucher redemption and prizes for kids for participating in the POP program. We will have a drawing for those prizes at the end of the market season from the list of children that have participated.



AGENDA STAFF REPORT

AGENDA LOCATION: Item #10 A-D

MEETING DATE: September 11, 2017

TO: Honorable Mayor and City Council

FROM: Izetta Grossman, City Clerk

ISSUE: Approving items on the Consent Agenda and authorizing City staff to sign contract documents.

- A. **ITEM:** Approval of the July 17, 2017 Performance Benchmark Work Session Meeting Minutes.

BUDGET IMPLICATIONS: None.

SYNOPSIS: The minutes of the July 17, 2017 Performance Benchmark meeting have been prepared and are submitted for review and approval.

RECOMMENDATION: That City Council review and approve the minutes of the July 17, 2017 Performance Benchmark meeting.

- B. **ITEM:** Approval of the July 19, 2017 Leadership Training meeting minutes.

BUDGET IMPLICATIONS: None

SYNOPSIS: The minutes of the July 19, 2017 Leadership Training meeting have been prepared and are submitted for review and approval.

RECOMMENDATION: That City Council review and approve the minutes of the July 19, 2017 Leadership Training meeting.

- C. **ITEM:** Approval of the July 24, 2017 Regular City Council meeting

minutes.

BUDGET IMPLICATIONS: None

SYNOPSIS: The minutes of the July 24, 2017 Regular City Council meeting have been prepared and are submitted for review and approval.

RECOMMENDATION: That City Council review and approve the minutes of the July 24, 2017 Regular City Council meeting.

D. **ITEM:** Approval of surplus and donation of various items from the Police Department

BUDGET IMPLICATIONS: None

SYNOPSIS: The Police Department has identified the following items that have no service value to be surplus for donation.

Canon Image Runner 3030 copier/fax, unk condition

Toshiba CRT type TV, Property number 04113

Wide format file cabinet

Standard format file cabinet

Swingline Shredder

Overhead projector (dinosaur) property number 02862

Stand for OH projector, tag 02860

RECOMMENDATION: That City Council approve surplus and donation of the items listed.

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MINUTES

REGULAR COUNCIL MEETING
OF
July 10, 2017
5:30 p.m.

THE DALLES CITY HALL
313 COURT STREET
THE DALLES, OREGON

PRESIDING: Mayor Stephen Lawrence

COUNCIL PRESENT: Russ Brown, Taner Elliott, Linda Miller, Darcy Long-Curtiss,
Timothy McGlothlin

COUNCIL ABSENT: None

STAFF PRESENT: City Manager Julie Krueger, City Attorney Gene Parker, City Clerk
Izetta Grossman, Finance Director Angie Wilson, Planning
Director Steve Harris, Public Works Director Dave Anderson,
Police Chief Patrick Ashmore, Human Resources Director Daniel
Hunter, Assistant to the City Manager Matthew Klebes

CALL TO ORDER

The meeting was called to order by Mayor Lawrence at 5:28 p.m.

ROLL CALL

Roll call was conducted by City Clerk Grossman, all Councilors present.

PLEDGE OF ALLEGIANCE

Mayor Lawrence invited the audience to join in the Pledge of Allegiance.

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APPROVAL OF AGENDA

It was moved by Miller and seconded by Long-Curtiss to approve the agenda as submitted. The motion carried unanimously.

PRESENTATIONS/PROCLAMATIONS

Main Street Program Report – Jeremiah Paulson, Executive Director

Jeremiah Paulson presented an update of the Main Street Program activities (see attached).

He said that Bunny Henningsen had been hired as the Ship Tourism Coordinator. He said she had hit the ground running.

Mayor Lawrence said he had met Bunny and she was from the travel industry.

AUDIENCE PARTICIPATION

Mike Allegre and Michael Springston representing the Oregon Veteran's Home presented a letter (attached) asking City Council to consider funding a weather camera and possibly assisting with the monthly broadband charges. They said KGW would install the equipment.

Council asked them to bring the issue back to Council in September with firm figures for funds begin requested.

Springston reported that the Oregon's Veterans home was undergoing a remodel. He said it was a complete facelift, with an expected completion date of June 2018.

Nolan Hare representing Fort Dalles Fourth reported that the event was the most successful to date. He said they had 40 sponsors and were fully funded. He said the committee was thinking of keeping the event on the Saturday before the Fourth of July.

Mayor Lawrence commended all the volunteers that work on the event.

Victor Johnson, 313 West Fourth Street, said as someone who puts on events he wanted to commend the Fort Dalles Fourth Committee. He said events have many moving pieces and the event was well run. He said The Dalles is a very diverse community and it was always difficult to appeal to the majority. He said he saw the whole community represented at the fireworks and concert. Johnson said he studies the science of happiness and it includes multi-generational events, where everyone can participate regardless of ability to pay. He said The Dalles needs more of these kinds of events, they are important.

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CITY MANAGER REPORT

City Manager Krueger said a Councilor had asked her how the Fire Training Tower construction was coming along. She said she was informed today that the construction was to begin this week.

Krueger said she would be out of town the rest of the week at the Oregon City/County Management Association Conference in Bend.

CITY ATTORNEY REPORT

City Attorney Parker said he would be bringing the CenturyLink Franchise agreement to Council in September. He said he was watching the Public Contracting Bill.

Parker said he would be on vacation the week of July 10, and July 24 through August 4. He said he would be attending the Council Meetings.

CITY COUNCIL REPORTS

Councilor Brown said he would like to see the RiverFront Trail Board reimburse the City for the funds the City has to repay for the grant.

City Manager Julie Krueger said the RiverFront Trail group has some funds available and are working with the City in this regard.

Councilor Long-Curtiss reported on attending the Fort Dalles Fourth events.

Councilor McGlothlin submitted a written report (attached).

Councilor Miller reported on attending the Fort Dalles Fourth events.

Mayor Lawrence presented the Civic Enterprise Zone Fund request (attached). He said this was something that had been discussed with the Enterprise Zone Committee and had not been completed. He said these were new funds from Google, due to the cubic feet of the new facility being bigger than originally anticipated.

Councilor Long-Curtiss asked that these items be put on the agenda ahead of time to keep the public informed.

It was moved by Elliott and seconded by Miller to approve \$3641.45 to be paid to the Civic to

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pay off a loan, subject to the approval of the County Commission. The motion carried unanimously.

Mayor Lawrence asked if there was a motion for the remaining new funds to be split equally between the City and the County.

It was moved by Miller and seconded by Elliott to split the remaining enterprise zone new funds equally between the City and the County, with the County receiving \$38,797.78 and the City receiving \$38,797.77. The motion carried unanimously.

Mayor Lawrence said he would like to see these funds go into a specific line item not absorbed into the General Fund.

Councilor McGlothlin said he would like to see the NEAT Officer position fully funded.

City Manager Krueger said these funds are in lieu of taxes and taxes go into the General Fund. She said these funds and the 3% local marijuana tax revenue could be discussed at Goal Setting in January.

Finance Director Wilson said these funds were not budgeted and would go into the ending fund balance for this fiscal year. Wilson reminded Council that unbudgeted funds could not be spent without Council approval.

Mayor Lawrence reported on Mid Columbia Council of Governments review. He said they would be making a decision in September on how to proceed. He said they had two recommendations – dissolve the organization, decide what to do with the assets, find another organization to handle building permits, the transportation system (LINK) and the Area Agency on Aging; or expand the board and the board would have to be very committed to fund raising.

He reported on participating in a Business Oregon conference call. He said they were concentrating on business in rural Oregon. He said he had not received the survey results.

Mayor Lawrence said Google had a new representative, Michael Martin. He said the current Google project was targeted to be complete in October or November.

He said he was meeting with the new CEO of Mid Columbia Medical Center this week.

He said the ribbon cutting for the new elevator at the Senior Center was scheduled for July 18 at 8 a.m.

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CONSENT AGENDA

It was moved by Elliott and seconded by McGlothlin to approve the Consent Agenda as presented. The motion carried unanimously.

Councilor Miller noted that S.T.R.U.T. was closing. Mayor Lawrence said he believed they were still operating for a few more months.

Items approved by Consent Agenda were: 1) Approval of June 12, 2017 Regular City Council Meeting Minutes; 2) Approval of June 26, 2017 Regular City Council Meeting Minutes; 3) Declaring miscellaneous Technology Items as Surplus Property and authorizing donation to S.T.R.U.T.

PUBLIC HEARING

General Ordinance No. 17-1356 An Ordinance Amending General Ordinance No. 98-1222, Concerning Zoning Ordinance Amendment # 93-16 & 93-17 Establishing Time, Place, and Manner Regulations of Facilities For Processing, Production, and Wholesaling of Medical Marijuana, Establishing Reasonable Restrictions on the Location of Marijuana Grow Sites, the Manner of Operation of Medical Marijuana Grow Sites

Planning Director Steve Harris reviewed the staff report.

Mayor Lawrence opened the public hearing.

TESTIMONY:

Rick Wolf asked if the odor control only applied to marijuana. Planning Director Harris said the ordinance only addressed marijuana.

Hearing no further testimony, Mayor Lawrence closed the public hearing.

Mayor Lawrence asked if any Councilor wished to have the Ordinance read in full. It was the consensus of Council to not have the Ordinance read in full.

Mayor Lawrence asked the City Clerk Grossman to read the Ordinance by title only.

City Clerk Grossman read General Ordinance No. 17-1356 An Ordinance Amending General Ordinance No. 98-1222, Concerning Zoning Ordinance Amendment # 93-16 & 93-17 Establishing Time, Place, and Manner Regulations of Facilities For Processing, Production, and

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Wholesaling of Medical Marijuana, Establishing Reasonable Restrictions on the Location of Marijuana Grow Sites, the Manner of Operation of Medical Marijuana Grow Sites by title only.

It was moved by Elliot and seconded by Miller to approve General Ordinance No. 17-1356 An Ordinance Amending General Ordinance No. 98-1222, Concerning Zoning Ordinance Amendment # 93-16 & 93-17 Establishing Time, Place, and Manner Regulations of Facilities For Processing, Production, and Wholesaling of Medical Marijuana, Establishing Reasonable Restrictions on the Location of Marijuana Grow Sites, the Manner of Operation of Medical Marijuana Grow Sites by title only. The motion carried unanimously.

Resolution No. 17-020 Declaring Real Properties Described as Assessor's Map No. 1N 13E 4CC, Tax Lots 3100 and 3300, and Assessor's Map No. 1N 13E 4AA Tax Lot 100, as Surplus Property

Mayor Lawrence read the procedure for a public hearing.

City Attorney Parker reviewed the staff report.

Mayor Lawrence opened the public hearing.

TESTIMONY:

Councilor Long-Curtiss declared a potential conflict of interest, as she lived in the neighborhood of the Wright properties.

Councilor Elliott declared conflict of interest; he said he is related to the land owners of the connecting property, the Hattenhauer's.

Doug McGuire, 2418 Wright Street, (see attached letter) said there were four pipes that drain into the back of his property. He said these aren't city pipes, but drain pipes put in by owners prior to the development. He said he'd like to see a neighborhood park/garden, or adjusted property lines on the Wright Street properties.

In response to questions Public Works Director Dave Anderson said Public Works hacks down the vegetation about twice a year. He said the pipes were legacy pipes owners installed to drain the property long ago. He said there is no record of where these pipes are located.

Jim Wilcox, 416 West Seventh Street said that when the trees were cut down on Jordan, a lake was created. The trees had been using all the water. He said water drainage is an issue in the area. He said it would be a win-win to give the property to the neighborhood to maintain. He

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said similar deeding of property had occurred a few years back and now a useless piece of property was a beautiful garden.

Wilcox said the 12th Street property could be used to build a duplex. He said he felt it should be sold.

Sandra Olsen, 2101 Wright Street said she had lived at this address for 32 years. She said the City had helped them dig up one of the pipes that ended at their front window. She said she was not interested in maintaining a park. She said a solution to the water issue was needed. She said the goat heads were a problem.

Carol Bailey Yakish said she was speaking on behalf of her father Leonard Bailey who lived on 23rd Street. She said he was concerned about the water issue and the goat heads. She said a park would be nice.

She asked about what type of affordable housing might be built. City Attorney Parker said the lots on Wright Street we not appropriate for affordable housing.

It was moved by Miller and seconded by Brown to approve Resolution No. 17-020 Declaring Real Properties Described as Assessor's Map No. 1N 13E 4CC Tax Lots 3100 and 3300, and Assessor's Map No. 1N 13E 4AA Tax Lot 100 as Surplus Property. The motion carried, Elliott abstained.

It was the consensus of the Council to authorize the City Manager to negotiate a sale of the property adjacent to Hattenhauer's property Map No. 1N 13E 4AA Tax Lot 100 for a minimum price of the assessed value plus closing costs. Elliott abstained.

It was moved by Brown and seconded by McGlothlin to set a minimum price of \$45,000 for the property at 600 East 12th Street, and authorize staff to advertise it for sale. The motion carried, Elliott abstained.

EXECUTIVE SESSION

Mayor Lawrence closed the open meeting into Executive Session in Accordance with ORS 192.660(2)(h) to Consult With Legal Counsel Concerning Current Litigation or Litigation Likely to be Filed.

Reconvene to Open Session at 7:47 p.m.

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It was moved by Miller and seconded by Long-Curtiss to terminate the contract with AMI (Aeronautical Management, Inc) for convenience, giving six month notice, subject to approval by Klickitat County. The motion carried unanimously.

It was moved by Miller and seconded by Long-Curtiss to terminate the contract with GAS (Gorge Aviation Services) for convenience, with six month notice, subject to approval by Klickitat County. The motion carried unanimously.

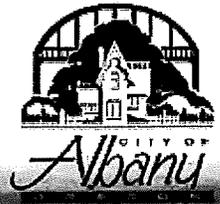
ADJOURNMENT

Being no further business, the meeting adjourned at 7:49 p.m.

Submitted by/
Izetta Grossman
City Clerk

SIGNED: _____
Stephen E. Lawrence, Mayor

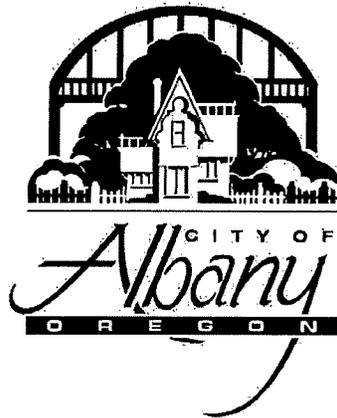
ATTEST: _____
Izetta Grossman, City Clerk



CITY OF ALBANY STRATEGIC PLAN

FY2017 THROUGH FY2021

**Adopted
01/25/2017**



OUR MISSION

“Providing quality public services for a better Albany community.”

OUR VISION

“A vital and diverse community that promotes a high quality of life, great neighborhoods, balanced economic growth, and quality public services.”

OUR VALUES

The City of Albany's Strategic Plan is guided by three fundamental elements: our mission, our vision, and our core values. Our Mission Statement is based on the principles of high quality and continuous improvement. Our Vision Statement presents a compelling future toward which our Strategic Plan is directed. Both our mission and our vision are founded on the following basic values that guide all of our actions and that reflect what we expect from our employees and our elected officials:

Transparent, Open, and Honest Government. This value reflects our first and most important responsibility. Our competence is measured and, in fact, reinforced through active engagement of those we serve. We maintain an organizational reputation for openness, honesty, and integrity.

Dedication to Service. Our primary duty is to the people we serve. We are accessible, responsive, consistent, and understanding. We provide assistance beyond our customers' expectations, and we find effective solutions to problems that they bring to our attention.

Fiscal Responsibility. Proper use of public resources is a trust which we continually guard. In our management of this trust, we must avoid even the appearance of impropriety. In our management of public funds, we constantly strive for the greatest possible efficiency and effectiveness to sustain affordable services.

Personal Honesty and Integrity. Each of us demonstrates the highest standards of personal integrity and honesty in our public activities to inspire confidence and trust in our government.

Excellence. We continually pursue excellence by being creative, professional, taking risks, showing initiative, and being committed to our community and team. In this pursuit, we support continuing education and training for all team members.

Teamwork. We are a team that emphasizes high levels of trust and cooperation and a commitment to excellent communications within the organization. We encourage employees to exercise independent judgment in meeting customer needs through professional behavior that is consistent with our values.

A Humane and Diverse Organization. We are a humane organization that honors diversity and protects individual rights. Open communication, respect for others, compassion, and a sense of humor contribute to our positive work environment. We make it possible for every employee to achieve his or her full potential. We value the cultural and social diversity that is reflected in our community, and we welcome the changes and new perspectives that this diversity brings to us. We protect those individuals whose basic rights are placed in jeopardy.

Why Do Strategic Planning?

If our Mission and Vision Statements are to have any meaning, they must be accompanied by deliberate planning efforts to move the organization and the community toward a desired future. This requires clearly defined goals, proactive objectives, committed leadership, and effective management. Above all, it requires managing the forces of change. Those forces include community demographics, state and federal mandates, fiscal constraints, economic conditions, emerging technologies, and many other influences on our service delivery efforts. High performing organizations are those that learn to anticipate and adapt to change by creating value for those we serve, and motivation and meaning for those who serve them. The best tool for accomplishing these objectives is strategic planning.

STRATEGIC PLAN THEMES

Our Strategic Plan has four primary themes that reflect our Mission and Vision Statements: Great Neighborhoods, a Safe City, a Healthy Economy, and an Effective Government. Specific goals, objectives, and actions move the organization toward our vision of the future.

Each theme is followed by the City's primary goals in that subject area for the foreseeable future. The goals should remain constant over time and should only be revised to reflect significant community changes or unanticipated events. A list of measurable objectives with benchmarks helps us track progress toward the goals. Objectives are generally identified to cover the five-year planning period from the date they are adopted or revised. Actions are the steps needed to meet the objective. Many more strategies and actions will be developed at the department and division level to align the entire organization with the goals and objectives.

This plan is intended as a work in progress. While the mission, vision, values, and goals should remain constant, the objectives and actions will need periodic review and refinement. We will track progress through regular reporting on the measures, and they will be incorporated into department, organization, and community publications. The annual Budget and Capital Improvement Program will serve as reporting and implementing policy documents, identifying relationships with the Strategic Plan. The Comprehensive Plan, Transportation System Plan, Water Master Plan, Sewer Master Plan, Parks Master Plan, Hazard Mitigation Plan, Urban Forestry Management Plan, and related planning documents also support this Strategic Plan.

I. GREAT NEIGHBORHOODS

Goals:

- Goal 1: Create and sustain a city of diverse neighborhoods where residents feel good about where they live.
- Goal 2: Provide an efficient transportation system with safe streets and alternative modes of transportation.
- Goal 3: Provide effective stewardship of Albany's significant natural, cultural, and historic resources.
- Goal 4: Provide diverse recreational, educational, and cultural opportunities that enrich the lives of our citizens.

Great Neighborhoods Objectives:

Goal 1: Create and sustain a city of diverse neighborhoods where residents feel good about where they live.

Objective GN-1: Enforce City ordinances when properties are neglected or abandoned to prevent erosion of property values and quality of life. [City Manager's Office and Albany Police Department]
Actions: Reduce unresolved cases.

Objective GN-1a: Maintain the value and attraction of Albany's historic assets and seek federal funds and other sources. [Community Development]
Actions: Apply for State Historic Preservation Office grants. Make rehabilitation loans and track completions.

Objective GN-2: Create a Community Development/Land Use Issues list identifying code issues that are identified as not optimum. This list will be evaluated annually to identify priority issues that might be addressed with code revisions. [Community Development]
Actions: Provide reviews and updates to the Albany Development Code (ADC).

OBJECTIVE	MEASURE	TARGET	COMPLETED FY2015	COMPLETED FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
GN-1	Maintain a close to open ratio of 75% or higher on submitted cases per fiscal year.	≥75%	55%	71%	75%	75%	75%	75%	75%
GN-1a	Continue to seek grant funding from State Historic Preservation Office.	1	1	0	1		1		1
GN-2	Develop CD/Land Use Issues list.	Complete annually	Annually	Annually	Annually	Annually	Annually	Annually	Annually

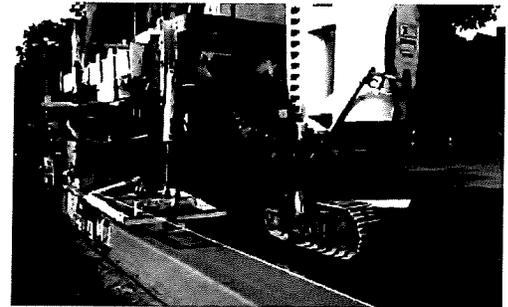
I. GREAT NEIGHBORHOODS (CONTINUED)

Goal 2: Provide an efficient transportation system with safe streets and alternative modes of transportation.

Objective GN-3: Ensure public buildings, sidewalks, and public transportation are accessible to all.

[Community Development, Public Works]

Actions: Develop a plan and prioritization system for making accessibility improvements when funding is identified and available (ADA Transition Plan).



Curb installation for the Oak Street construction project.

Objective GN-4: Utilize available street funding to maintain collector and arterial streets (85 total lane miles) in satisfactory or better condition and address local street needs as funding allows. Additionally, seek other sources of funding for the street system. [Public Works]

Actions: Measure and monitor street condition in order to identify and prioritize street condition improvement projects. Implement repair and preventative street maintenance projects to preserve and restore City streets with the annual Street Maintenance budget. Plan for street rehabilitation and reconstruction capital projects with the annual five-year Capital Improvement Program and implement capital projects with the annual Street Capital budget.

Objective GN-5: Work as a cooperative partner of the Albany Area Metropolitan Planning Organization (AAMPO) for the funding of street and transit improvements. [Public Works]

Actions: Work within the AAMPO structure to plan for use of available Surface Transportation Program (STP) funding for the preservation and improvement of City streets. Work with the AAMPO to stabilize funding and maximize the effective use of transit funding for the City and the region.

Objective GN-6: By the end of 2017, increase the number of transit system riders by ten percent over the FY2012-2013 ridership. [Public Works]

Actions: Measure and monitor the number of rides provided. Identify opportunities to modify and maximize routes, increase operating revenue, and improve transit level of service. Identify and implement route improvements to serve more citizens, as funding allows.

OBJECTIVE	MEASURE	TARGET	COMPLETED FY2015	COMPLETED FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
GN-3	Accessibility Transition Plan completed.	Complete by FY 2017			Dec 2017				
GN-4	Percentage of collector and arterial streets in satisfactory or better condition:	≥80%	89%	94%	93%	92%	91%	90%	89%
GN-5	Complete Regional Transportation Plan (RTP).	Complete by FY 2017			Nov 2017				
GN-6	Increase transit system ridership to:								
	Albany Transit System	≥96,000	86,200	79,369	87,000	87,500	88,000	88,500	89,000
	Linn-Benton Loop	≥145,000	124,800	111,595	121,000	121,500	122,000	122,500	123,000
	Paratransit	≥21,000	18,400	18,346	21,000	22,300	22,500	23,000	23,500

I. GREAT NEIGHBORHOODS (CONTINUED)

Goal 3: Provide effective stewardship of Albany’s significant natural, cultural, and historic resources.

Objective GN-7: Continue to partner and coordinate with community groups, such as the Calapooia Watershed Council, on watershed improvement programs and projects to meet statewide planning goals (Goal 5).
[Community Development, Parks & Recreation, Public Works]

Actions: Identify City-owned open spaces, riparian corridors, and natural resources and coordinate and help fund restoration and education/outreach projects.

OBJECTIVE	MEASURE	TARGET	COMPLETED FY2015	COMPLETED FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
GN-7	Coordinate and partner on restoration and education/outreach projects.	Complete annually	Annually	Annually	Annually	Annually	Annually	Annually	Annually



I. GREAT NEIGHBORHOODS (CONTINUED)

Goal 4: Provide diverse recreational, educational, and cultural opportunities that enrich the lives of our citizens.

Objective GN-8: Maintain total City-managed park land inventory at an annual average of 17.0 acres or greater per 1,000 residents. [Parks & Recreation]

Actions: Acquire by purchase, lease, or other means enough park land to achieve and keep pace with Albany's growth and to meet the City's adopted total park acreage standards.

***Objective GN-9:** Sustain total developed parks and recreation lands at 11.0 acres or greater per 1,000 residents. [Parks & Recreation]

Actions: Maintain enough developed park land to keep pace with Albany's growth and to meet the City's adopted developed park acreage standards.

Objective GN-10: By the end of 2019, increase library visits by ten percent. [Library]

Actions: Add five new programs across all service areas. Increase the percentage of operating dollars spent on collections to Oregon state median (ten percent).



Reading Girl at Main Library.

OBJECTIVE	MEASURE	TARGET	COMPLETED FY2015	COMPLETED FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
GN-8	Average total acres of park land per 1,000 residents.	≥17.0	17.3	17.3	17.1	17.1	16.8	16.6	16.6
GN-9	Average acres of developed parks and recreation land per 1,000 residents.	≥11.0	10.9	10.9	10.8	10.8	10.6	10.4	10.4
GN-10	Annual number of library visits.	≥371,000	346,695	331,000	340,000	345,000	345,000	348,000	350,000
GN-10	Number of discrete Library programs across all service areas.	≥19	20	21	22	23	23	25	25
GN-10	Percentage of Library operating expenditures spent on collections.	10%	6.9%	7.4%	8%	9%	10%	10%	12%

**Includes gift of 94 acres to City in Oak Creek Greenbelt.*

II. A SAFE CITY

Goals:

- Goal 1: Ensure a safe community by protecting people and property.
- Goal 2: Provide safe, sufficient, and reliable drinking water, sewage disposal, and drainage systems.

Safe City Objectives:

Goal 1: Ensure a safe community by protecting people and property.

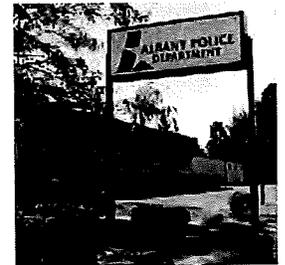
Objective SC-1: Complete construction of Albany Police Department building and Fire Station 11. [Fire, Police]

Actions: Complete building projects by September 2017.

Objective SC-2: Participate in the FEMA National Flood Insurance Program and maintain the City's Community Rating System (CRS) rating. [Community Development]

Actions: Form and maintain a cross-department team to continuously improve the City's floodplain management. Participate in FEMA's CRS Program.

Objective SC-3: Use Community Development Block Grant (CDBG) funds to provide funding to community programs that assist the vulnerable children and families in our City. [Community Development]



OBJECTIVE	MEASURE	TARGET	COMPLETED FY2015	COMPLETED FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
SC-1	Move into new Fire Station 11.	Complete by June 2017				Sept 2017			
SC-1	Move into new Police Department building.	Complete by June 2017				Sept 2017			
SC-2	Maintain CRS rating.	≤ 6	6	6	6	6	6	6	6
SC-3	Distribute CDBG funding to assist Albany's vulnerable populations and neighborhoods.	\$300,000/year	\$128,000	\$202,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000

II. A SAFE CITY (CONTINUED)



Objective SC-4: Maintain police patrol response times to Priority One calls for service from dispatch to arrival time to four minutes fifteen seconds, or less, annually. [Police]

Actions: Achieve this objective through maintaining no less than current staffing levels and incremental staffing increases related to population/demand for service increases.

Objective SC-5: Maintain the combined number of fatal and injury collisions at 2.5 per thousand residents or less annually. [Police]

Actions: Achieve this objective through continued traffic enforcement with an emphasis at high-collision areas.

Objective SC-6: Achieve at least a 60 percent clearance rate for violent crimes and a 20 percent clearance rate for property crimes annually. [Police]

Actions: Achieve this objective through maintaining current staffing levels in patrol and detectives with an emphasis on solving crimes.

Objective SC-7: Reduce Part One crimes by five percent annually with the ultimate goal of reducing the crime rate to the Oregon average per thousand. [Police]

Actions: Continued emphasis on crime reduction through the Computer Statistics (COMPSTAT) process.



Objective SC-8: Facilitate continued development of property surrounding Fire Station 12 as an emergency responder training center.

[Fire, Police, Public Works, Other Jurisdictions]

Actions: Relocate City bus storage to expand current training facilities and build a training tower.

Objective SC-9: Collaborate with neighboring fire departments and communities to improve emergency response reliability and provide a consistent level of emergency and life safety services. [Fire]

Actions: Collaboratively staff and maintain a single-role

medic unit with other emergency response agencies; expand community risk reduction services by increasing community paramedic program capabilities; explore opportunities to provide equivalent emergency services irrespective of geographic boundary.

Objective SC-10: Fund Fire Department equipment replacement and facilities maintenance to adequately address emergency equipment and vehicle needs and long-term upkeep of department facilities. [Fire]

Actions: Commit ambulance revenue received over budgeted amount to equipment replacement; pursue grants and other funding alternatives; consider a bond to fund department equipment replacement needs; consider other potential funding sources to provide both short- and long-term solutions to replace vehicles and equipment and provide for facilities maintenance; and consider sale proceeds of the Armory to fund police and fire equipment replacement.

II. A SAFE CITY (CONTINUED)

OBJECTIVE	MEASURE	TARGET	COMPLETED FY2015	COMPLETED FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
SC-4	Patrol Unit: Maintain response time to priority one calls annually.	≤4:15 annually	3:12 annually	4:15 annually	4:15 annually	4:15 annually	4:15 annually	4:15 annually	4:15 annually
SC-5	Maintain the combined number of fatal and injury collisions at 2.5 per thousand residents or less annually.	≤2.5 per thousand annually			≤2.5 per thousand annually				
SC-6	Achieve clearance rate for violent crimes annually.	60% annually	69% annually	60% annually	60% annually	60% annually	60% annually	60% annually	60% annually
SC-6	Achieve clearance rate for property crimes annually.	20%	28.3% annually	20% annually	20% annually	20% annually	20% annually	20% annually	20% annually
SC-7	Achieve reduction in Part I crimes annually.	≥5% annually	2.6% increase	5% annually	5% annually	5% annually	5% annually	5% annually	5% annually
SC-8	Relocate City bus storage.	Complete by FY 2019					June 2019		
SC-8	Provide improvements to training site by building training tower and training props.	Complete by FY 2018				June 2018			
SC-9	Collaborate by staffing a single-role medic unit.	≥72 hours/week		Hired and trained personnel	72 hours/week	91 hours/week	112 hours/week	112 hours/week	168 hours/week
SC-9	Increase Community Paramedic availability.	7-day coverage		5-day coverage	6-day coverage	7-day coverage	7-day coverage	7-day coverage	7-day coverage
SC-10	Provide funding to replace emergency vehicles and equipment and maintain facilities.	\$2.6 million		\$583K	\$541K	\$714K	\$645K	\$550K	\$150K

Objective SC-11: Reduce property code violations, substandard housing conditions, and inadequate infrastructure. [City Manager's Office, CARA, Community Development, Police]

Actions: Community Development, Police, and the City Manager's Office will work together to set priorities for addressing property code violations and responding to citizen complaints. A partnership with CARA will focus significant code compliance and safety efforts within the CARA boundaries.

Objective SC-12: CARA will continue to fund projects that eliminate blight and increase public safety.

[Central Albany Revitalization Area, Police, Community Development]

Actions: Use CARA funding on projects that eliminate blight, increase public safety, and reduce police calls.



Objective SC-13: Maintain and continue to minimize the impact of fires on our community. [Fire]

Actions: Continue to incorporate Fire Department requirements in the development review and approval process. Conduct Fire Code compliance inspections on existing buildings. Provide fire/life safety education. Maintain residential fire/life safety equipment programs. Promote fire sprinkler systems in CARA-funded projects and other projects of new construction and remodeling.



II. A SAFE CITY (CONTINUED)

Objective SC-14: Fund to adequately staff for increasing emergency responses, response times, and community growth. [Fire]

Actions: Continue to evaluate all funding options for public safety; hire additional personnel to address increases in responses and times; implement response time tracking system.

Objective SC-15: Formalize work group with a focus on identifying current issues with transitional housing. [Police, Community Development, City Attorney, Fire]

Actions: Identify staff who could help characterize and address transitional housing-related issues.

OBJECTIVE	MEASURE	TARGET	COMPLETED FY2015	COMPLETED FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
SC-11	Amount of CARA funding targeting code compliance/public safety.	\$50,000	\$0	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
SC-12	Number of blighted structures remediated within the CARA boundary.	≥3	0	3	3	3	3	3	3
SC-13	Structure fires per 1,000 residents*	≤0.9	0.86	0.81	0.80	0.80	0.75	0.75	0.75
SC-13	Percentage of population receiving fire & life safety public education presentations.	≥15%	13.2%	9%	15%	15%	15%	15%	15%
SC-13	Number of fire compliance inspections.	≥1,500	912	637	1,200	1,250	1,300	1,350	1,400
SC-13	Percentage of fire code violations corrected.	≥75%	82.4%	72.5%	80%	85%	85%	90%	90%
SC-14	Hire additional personnel to address emergency call volume, increasing response times, and community needs.	As needed	0	3 (1 DFM & 2 EMTs)	3 (3 FF/ EMTs)	3 (1 Admin & 2 EMTs)	4 (3 FF/EMTs & 1 EMT)	1 (1 Admin)	3 (3 FF/ EMTs)
SC-15	Develop and prioritize issues list and assign owners.	Complete by Feb 2017			Feb 2017				
SC-15	Provide recommendations that address high-priority items.	Ongoing until addressed		Ongoing	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing

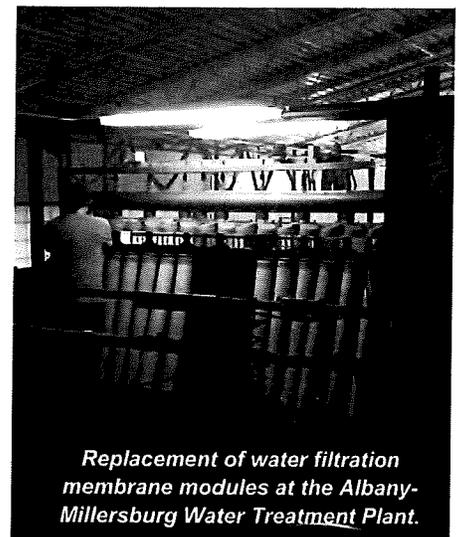
Goal 2: Provide safe, sufficient, and reliable drinking water, sewage disposal, and drainage systems.

Objective SC-16: Optimize the use and management of the Vine Street and Albany-Millersburg Water Treatment Plants to meet regulatory and demand needs for the City's drinking water supply. [Public Works]

Actions: Develop a written water production management plan that will maximize the efficient use of the two water treatment plants to meet supply and regulatory requirements.

Objective SC-17: Maintain existing compliance with all water quality, pretreatment, and biosolids regulatory requirements. [Public Works]

Actions: Prepare for the requirements of a pending new wastewater discharge permit, which will likely include more restrictive water quality-based limitations. Remain engaged in agency groups such as ACWA and PNCWA in order to remain informed and offer input into regulatory direction. Prepare for the requirements of a stormwater discharge permit.



Replacement of water filtration membrane modules at the Albany-Millersburg Water Treatment Plant.

II. A SAFE CITY (CONTINUED)

Objective SC-18: Effectively manage biosolids wastes at the Albany-Millersburg Water Reclamation Facility.
[Public Works]

Actions: Maximize efficiencies and cost effective management and disposal of solids at the Albany-Millersburg Water Reclamation Facility. Identify a preferred alternative for a solids improvement project along with funding options.

OBJECTIVE	MEASURE	TARGET	COMPLETED FY2015	COMPLETED FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
SC-16	Develop written water production management plan.	Complete by FY 2019					June 2019		
SC-17	Obtain a new discharge permit for the WRF. (DEQ DEPENDENT)	Complete by FY 2019					June 2019		
SC-17	Obtain a stormwater discharge permit. (DEQ DEPENDENT)	Complete by FY 2017			June 2017				
SC-18	Develop alternatives and funding options for new solid process at WRF.	Complete by FY 2017			June 2017				



III. A HEALTHY ECONOMY

Goals:

- Goal 1: Business — Enhance the value and diversity of Albany’s economy by attracting, retaining, diversifying, and expanding local businesses.
- Goal 2: Partnerships — Strengthen the area’s role as a leading regional economic center through local and regional coordination and collaboration on economic development planning and projects.
- Goal 3: Prosperity — Maintain and grow the income levels with a focus on living-wage jobs, training, and education opportunities of Albany residents consistent with Oregon and national trends. Work to increase the community’s assessed value while working to achieve a healthy balance of housing and jobs.
- Goal 4: Central Albany — Create a readily identifiable downtown core that is unique and vibrant with a mixture of entertainment, housing, specialty shops, offices, and other commercial uses.

Healthy Economy Objectives:

Goal 1: Business: Enhance the value and diversity of Albany’s economy by attracting, retaining, diversifying, and expanding local businesses.

Objective HE-1 - Support Local Business: Provide a supportive environment for the development and expansion of desired businesses, especially those that are locally owned or provide living-wage jobs.
[Economic Development/Urban Renewal]

Actions: Conduct regular visits to local businesses and industries as a business ambassador. Address the needs and opportunities for growth and work to eliminate barriers for future development. Connect growing businesses with available resources including the Chamber of Commerce, AMEDC, SBA, COG, and the Small Business Development Center (SBDC) at LBCC.

Objective HE-2 - Land: Provide the supply of commercial and industrial land identified in the Economic Opportunities Analysis. Facilitate development consistent with community goals.

[Economic Development/Urban Renewal, Community Development, Public Works]

Actions: Complete research and documentation of available land, work to remove barriers for developable land.

OBJECTIVE	MEASURE	TARGET	COMPLETED FY2015	COMPLETED FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
HE-1	Conduct regular visits to local businesses and industries.	≥12	21	12	12	12	12	12	12
HE-1	Projects assisted: financial assistance or removal of development barriers.	≥5	19	15	8	8	8	8	8
HE-2	Complete research and documentation of significant available sites.	≥4	41	43	5	5	5	5	5

III. A HEALTHY ECONOMY (CONTINUED)

Goal 2: Partnerships: Strengthen the area’s role as a leading regional economic center through local and regional coordination and collaboration on economic development planning and projects.

Objective HE-3 - Partnerships: Collaborate with organizations focused on business retention, expansion, startup development, and entrepreneurship to establish new firms and strengthen existing businesses locally.

[Economic Development, All Departments]

Actions: Maintain key department contacts for immediate response to information requests. Strong intra-city collaboration among departments to further economic development priorities, eliminate barriers, and provide accurate and timely assistance within the requested time frames. Continue to foster relationships and cultivate partnerships with the Chamber of Commerce, AMEDC, SBA, COG, and SBDC. Continue work of LBCC/Industry/City partnership on \$2.9 million investment in equipment for workforce development and training.

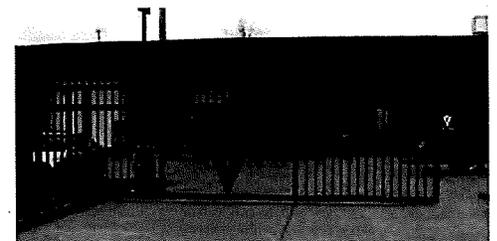
OBJECTIVE	MEASURE	TARGET	COMPLETED FY2015	COMPLETED FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
HE-3	Respond to information inquiries within the requested timelines.	100%	100%	100%	100%	100%	100%	100%	100%

Goal 3: Prosperity: Maintain and grow the income levels with a focus on living-wage jobs, training, and education opportunities of Albany residents consistent with Oregon and national trends. Work to increase the community’s assessed value while working to achieve a healthy balance of housing and jobs.

Objective HE-4 - Living-wage Jobs: Focus on the creation and retention of living-wage jobs through policy, staff support, and funding of projects that support a healthy local economy and community. Continue to refine CARA and CDBG programs to support job-creation projects. Support the area’s educational resources as vital to the social and economic well-being of the community. Encourage opportunities for increasing skill levels of local workers and microenterprise development.

[Economic Development/Urban Renewal, Community Development]

Actions: Complete draft, review, and implementation of CARA economic development programs. Track results and job creation of the program. Work to improve the community’s assessed value. Facilitate connections between residents/businesses and workforce training or education. Track unemployment rate and per capita income for the city of Albany.



A public-private partnership between CARA and Viper Northwest helped them expand yielding 43 family-wage jobs and a significant increase in assessed value.

III. A HEALTHY ECONOMY (CONTINUED)

OBJECTIVE	MEASURE	TARGET	COMPLETED FY2015	COMPLETED FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
HE-4	CARA/City-funded economic development projects.	≥3	0	4	4	4	4	4	4
HE-4	Jobs (FTE) created through CARA/City-funded economic development projects.	≥5	0	10	13	17	17	17	17
HE-4	Jobs (FTE) created through CDBG-funded programs.	≥5	8	9	5	5	5	5	5
HE-4	Technical assistance provided to microenterprises.	≥10	24	25	10	10	10	10	10

Goal 4: Central Albany: Create a readily identifiable downtown core that is unique and vibrant with a mixture of entertainment, housing, specialty shops, offices, and other commercial uses.

Objective HE-5: Leverage urban renewal dollars to maximize the total investment and development effort in Central Albany. Create an increase in assessed value with the majority of public-private partnerships or spur private investment through strategic public investment. [Central Albany Revitalization Area]

Actions: Continue to focus CARA funding on public infrastructure projects that will drive or complement private investment and private projects that create a return on investment through an increase in assessed value.

Objective HE-6: Recognize and support Albany’s unique historic character as a major cultural and tourist-oriented economic resource. Increase residential opportunities in the Central Albany area. [Central Albany Revitalization Area]

Actions: Continue funding of rehabilitation and restoration of historic buildings, creation of new residential units, and various projects in the Main Street area and throughout the Central Albany Revitalization Area (CARA).



**Woodwind Apartments
workforce housing project on
Second Avenue SE.**

OBJECTIVE	MEASURE	TARGET	COMPLETED FY2015	COMPLETED FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
HE-5	Total annual value of CARA investments in public-private partnerships.	≥\$500K	\$379,500	\$500K	\$500K	\$500K	\$500K	\$500K	\$500K
HE-5	Total annual value of private investment in CARA projects.	≥\$2.5M	\$636,500	\$2.5M	\$1.77M	\$2.5M	\$2.5M	\$2.5M	\$2.5M
HE-5	Total cumulative value of CARA investments.	≥\$13.8M	\$11.8M	\$14.8M	\$23.3M	\$23.8M	\$24.2M	\$24.7M	\$25.2M
HE-5	Ratio of overall CARA contributions versus private money.	\$1:\$7	\$1:\$8.38	\$1:\$7	\$1:\$7	\$1:\$7	\$1:\$7	\$1:\$7	\$1:\$7
HE-6	Cumulative number of CARA-funded new residential units.	≥303	287	292	298	312	326	340	354

IV. AN EFFECTIVE GOVERNMENT

Goals:

- Goal 1: Effectively and efficiently deliver the services that Albany’s citizens need, want, and are willing to support.

Effective Government Objectives:

Goal 1: Effectively and efficiently deliver the services that Albany’s citizens need, want, and are willing to support.

Objective EG-1: Reduce the percentage of total annual Parks & Recreation Fund expenditures subsidized with property tax revenues to 55 percent or lower by 2020. [Parks & Recreation]

Actions: Achieve this objective through a combination of nontax revenue increases and expenditure reductions.

Objective EG-2: Sustain revenues received from gifts, grants, and endowments to equal or greater than \$10 per capita. [Parks & Recreation]

Actions: Complete and implement a Revenue Enhancement Plan by 2018, including strategies and private sector solicitations. Improve marketing and promotion efforts to communicate parks and recreation program needs to a wider audience.

Objective EG-3: Maintain Parks & Recreation Department staffing levels at or below 0.60 FTE per 1,000 residents. [Parks & Recreation]

Actions: Annually adjust staffing plans and service delivery strategies to achieve the objective.

OBJECTIVE	MEASURE	TARGET	COMPLETED FY2015	COMPLETED FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
EG-1	Property tax as a percent of Parks Fund revenue.	≤55%	51.2%	53.6%	55%	54%	54%	52%	52%
EG-2	Parks per-capita revenue through grants, gifts, and endowments.	≥\$10.26	\$7.86	\$6.35	\$9.50	\$9.50	\$10.00	\$10.00	\$10.00
EG-3	Parks & Recreation full-time equivalents per 1,000 residents.	≤0.60	0.50	0.52	0.53	0.54	0.53	0.52	0.52

Objective EG-4: Provide responsive, efficient, customer-oriented service and meet mandated deadlines for project reviews. [Community Development]

Actions: Meet or exceed state requirements for timely issuance of reviews, permits, and inspections. Complete building inspections as requested.

Objective EG-5: Reduce water loss to 10 percent or less by 2019. [Public Works]

Actions: Continue leak detection efforts to identify system leaks. Replace and upgrade older water meters to reduce under-reading water usage. Investigate and eliminate unmetered water use and enforce against water theft. Evaluate water system replacement needs to best target limited capital funds to provide best return.

IV. AN EFFECTIVE GOVERNMENT (CONTINUED)



Water line construction on Hill Street.

Objective EG-6: Provide the City Council with annual reports regarding the running five-year sewer, water, and stormwater revenue, expenditure, and rate funding requirements. [Public Works]

Actions: Annual updates to the current five-year rate projection at the time the City Council considers utility rate adjustments.

Objective EG-7: Maintain accreditation with the American Public Works Association (APWA). [Public Works]

Actions: Maintain standards and policies to allow the department to obtain reaccreditation from APWA on a four-year cycle.

Objective EG-8: Develop a full stormwater management program and identify stable funding strategy for stormwater utility functions. [Public Works]

Actions: Complete the Stormwater Master Plan. Implement code changes to bring the City in line with regulatory requirements. Identify the annual operations and maintenance and capital costs required to maintain the City's stormwater system in order to meet service level expectations and regulatory requirements. Develop SDC funding mechanism and funding levels.

Objective EG-9: Complete update of the Sewer SDC methodology. [Public Works]

Actions: Develop updated facility plan in phases. Upon completion of the collection system and treatment system updates, complete a new SDC methodology and have the City Council adopt it.

Objective EG-10: Continue participation in national performance benchmarking for comparison with other jurisdictions. Implement process improvement projects to reduce processing time and costs or increase revenues. [City Manager's Office]

Actions: Prepare annual report to detail participation and compliance to appropriate national benchmarks. Institute tracking systems to gather management data where lacking. Perform process improvement studies.

Objective EG-11: By the end of FY2020, reduce the cost/item circulated by 15 percent. [Library]

Actions: Explore outsourcing processing.

Objective EG-12: Seek \$200,000 of outside funding for new library program support by 2020. [Library]

Actions: Create an annual fund-raising campaign by working with library support groups and the Albany Library Scharpf Endowment Fund.

IV. AN EFFECTIVE GOVERNMENT (CONTINUED)

Objective EG-13: Continue recognition from the Government Finance Officers Association (GFOA) for excellence in budgeting and financial reporting. Maintain annual audit results establishing conformance to requirements and generally accepted accounting principles. [Finance]

Actions: Receive the GFOA award for "Excellence in Financial Reporting." Receive the GFOA "Distinguished Budget Presentation" award. Achieve annual audit with no reportable findings of noncompliance.

Objective EG-14: Ensure compliance with all federal and state regulations relating to municipal services. [All Departments]

Actions: Monitor federal and state regulations on a routine basis. Target resources to maintain compliance.

Objective EG-15: Maintain or improve City's investment ratings. [Finance]

Actions: Maintain sufficient reserves. Follow best practices for financial management.

Objective EG-16: Maintain appropriate levels of Information Technology (IT) systems availability and services rating. [Information Technology]

Actions: Ensure sufficient IT resources are available to maintain City functions.

Objective EG-17: Establish personnel succession planning for executive and other key leadership positions throughout the organization. [All Departments]

Actions: Ensure the City maintains adequate succession planning for executives and other key leadership positions.

Objective EG-18: Conduct feasibility analysis on "portable" systems development charges. [Public Works]

Actions: Retain consultant to evaluate feasibility of "portable" system development charges and identify steps necessary for implementation. Identify risks/rewards, data system support needs, and any additional staffing requirements to support such a program.

Objective EG-19: Consider opportunities to secure additional funding for transportation system improvements with emphasis placed on maintaining and repairing the City's 306 lane miles of local streets of which approximately 34 percent are not in satisfactory condition. [Public Works]

Actions: Participate in regional discussions regarding a potential gas tax.

Objective EG-20: Cooperate and partner with neighboring jurisdictions as appropriate to provide assistance, accomplish common goals/objectives, and maximize efficiencies. [All Departments]

Actions; Maintain regular communication with community partners. Discuss areas of shared interest and consider ways to accomplish common goals through partnerships.

IV. AN EFFECTIVE GOVERNMENT (CONTINUED)

OBJECTIVE	MEASURE	TARGET	COMPLETED FY2015	COMPLETED FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
EG-4	Residential plan reviews completed within 10 days.	100%	100%	100%	100%	100%	100%	100%	100%
EG-4	Land use decisions issued within 120 days.	100%	100%	100%	100%	100%	100%	100%	100%
EG-4	Complete inspections within same day of request (when called in by 7:00 a.m.)	≥95%	95%	95%	95%	95%	95%	95%	95%
EG-5	Reduce water loss to 10% or less by 2019.	≤10%	13.6%	9.7%	<10%	<10%	<10%	<10%	<10%
EG-6	Annual rate reports to Council.	2	2	2	2	3	3	3	3
EG-7	APWA accreditation.	Accreditation on mid-term report by FY2017	Reaccreditation		mid-term report		Reaccreditation		mid-term report
EG-8	Complete Stormwater Master Plan.	Complete Master Plan by FY2018				June 2018			
EG-8	Implement Stormwater funding plan.	Complete by FY2017	In progress	In progress	Complete Dec 2017				
EG-9	Complete Sewer SDC methodology update.	Complete Plan by FY2017	In progress	In progress	Complete Dec 2017				
EG-10	Annual report of performance benchmarking progress.	Nov 2017	Nov 2014		Nov 2017	Nov 2018	Nov 2019	Nov 2020	Nov 2021
EG-11	Cost per library item circulated.	≤\$3.73	\$4.09	\$4.00	\$3.80	\$3.60	\$3.40	\$3.20	\$3.15
EG-12	Non-General Fund program support for the Library.	\$40,000	\$61,365	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$50,000
EG-13	Receive "Excellence in Financial Reporting" award.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
EG-13	Receive "Distinguished Budget Presentation" award.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
EG-13	Reportable audit findings of noncompliance.	None	None	None	None	None	None	None	None
EG-14	Compliance with federal and state regulations.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
EG-15	Maintain investment ratings.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
EG-16	Maintain an overall quality of service rating at 4 or 5, with 5 being excellent.	90%	88%	91.4%	90%	90%	90%	90%	90%
EG-16	Maintain an overall timeliness of service rating at 4 or 5, with 5 being excellent.	90%	92%	93.6%	90%	90%	90%	90%	90%
EG-17	Recruit and hire new City Manager.	July 2017			July 2017				
EG-17	Recruit and hire new Human Resources Director and Finance Director.	Oct 2017			Oct 2017				
EG-17	Identify and develop personnel with the potential to fill executive and other key leadership roles.	Ongoing		Ongoing	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing
EG-18	Complete feasibility analysis on "portable" systems development charges.	Complete by FY 2017				June 2018			
EG-19	Consider opportunities to secure additional funding for transportation system improvements.	Ongoing until addressed		Ongoing	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing
EG-20	Regular meetings.	Annually		Annually	Annually	Annually	Annually	Annually	Annually

STRATEGIC PLAN ACCOMPLISHMENTS

Under Strategic Plan FY2016 THROUGH FY2020

City Manager's Office

- Received ICMA Award of Excellence for Performance Management.

CARA and Economic Development

CARA

- Retooled CARA programs with a new focus on increasing assessed value, eliminating blight, and resorting Albany's historic resources and a heavy emphasis on job creation.
- Began work on next round of public infrastructure investment, including a public open house to understand priorities.

Economic Development

- Economic Development Director worked with 18 existing businesses to help remove barriers to job creation.
- Responded to information inquiries within requested time frames 100 percent of the time.

Community Development

- Successfully completed an update to the floodplain development code, including reference to the new Flood Insurance Rate Maps for North Albany as required by the National Flood Insurance Program.
- Managed Community Development Block Grant (CDBG) programs that serve Albany low- and moderate-income or at-risk residents in accordance with federal requirements. Services included infant abuse prevention services, court-appointed special advocates for children removed from their homes, shelter and case management for at-risk youth and for women and children, emergency housing assistance, housing rehabilitation, and small business development. Additionally, the City, with CDBG funds, finalized engineering for Sunrise Park storm drainage in preparation for a park remodel.
- Over the last four months, the Community Development Department has processed to a final decision approximately 30 land use applications and has held 40 land use pre-application meetings with potential applicants.

STRATEGIC PLAN ACCOMPLISHMENTS

Under Strategic Plan FY2016 THROUGH FY2020

Finance

- Received the Excellence in Financial Reporting Award.
- Received the Distinguished Budget Presentation Award.

Fire

- Objective SC-1: Completed purchase on a portion of property needed for a new downtown fire station. Took numerous steps toward replacing existing Fire Station 11; project reviewed by the Public Safety Facilities Review Committee; selected a design team that has completed the initial building design; voters approved General Obligation Bond for safety facilities.
- Objective SC-9: Continued conversations regarding relocating the City bus storage. This will continue moving forward.
- Objective SC-9: Continued discussion regarding opportunities for regional training.
- Objective SC-12: Completed identification of funds needed to sustain equipment replacement for the next six years.

Information Technology

- Received Digital Cities Survey 2015 Award.
- Received the Government Technology's Top 25 Doers, Dreamers, Drivers Award.

Library

- The Library partnered with United Way and other partners to provide books to over 1,000 Albany youth under age 5.
- The Library partnered with five other Linn County libraries to provide a courier system that delivered materials amongst those libraries.
- The Library received over \$60,000 in grants and donations.
- The Library partnered with Greater Albany Public Schools (GAPS) to facilitate student IDs to function as Albany Public Library cards.

STRATEGIC PLAN ACCOMPLISHMENTS

Under Strategic Plan FY2016 THROUGH FY2020

Parks & Recreation

- Secured use of gyms for P&R programs at Timber Ridge School and at the Boys & Girls Club of Albany.
- Secured addition by donation of 94 acres to Oak Creek Greenbelt.
- While reducing the number of FTEs in the department by 17 percent since 2009:
 - » increased donations of cash for department activities from \$7 to nearly \$10 per capita.
 - » reduced maintenance costs per developed park acre from \$3,000 to \$2,700.
 - » maintained the property tax subsidy for all P&R activities at 60 percent or lower.
 - » maintained consistent levels of total park acres and developed acres per 1,000 residents, despite population growth.
 - » shifted 0.6 FTE from local property tax support to grant-funded program.
 - » renovated and/or replaced playground equipment at seven parks.

Police

- Worked with the Linn County Sheriff's Office on a Request for Proposal (RFP) for a new shared Computer-Aided Dispatch/Records Management System. The current shared system is 25+ years old. The new Computer-Aided Dispatch/Records Management System is scheduled to go live in April 2017.
- A public facilities bond was approved by voters in May 2015 for the construction of a police station and main fire station. A contractor was selected through a bid process and construction on the new police station began in August 2016. The new police station is slated to be completed in September 2017.

STRATEGIC PLAN ACCOMPLISHMENTS

Under Strategic Plan FY2016 THROUGH FY2020

Public Works

- Continued to implement an Energy Management System at the Water Reclamation Facility resulting in a predicted annual savings in energy consumption of almost one million kwh.
- Received the First Place Paving Award for an Urban Street from the Asphalt Pavement Association of Oregon for North Albany Road.
- Conducted a significant amount of public education and outreach efforts to further the creation of a stormwater utility.
- Negotiated new water sales and maintenance agreements with the City of Millersburg.
- Claim of Beneficial Use testing completed to perfect City water rights.
- Completed purchase and installation of 960 new membrane modules at the Albany-Millersburg Water Treatment Plant.
- Upgraded the Umatilla Lift Station by adding a force main and capacity to reduce unpermitted sewer overflows.
- Implemented emergency preparedness improvements, such as additional Uninterrupted Power Supplies, improved communications equipment, and installation of a repeater for the department UHF radio network.



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MINUTES

LEADERSHIP TRAINING

Staff and Council
July 19, 2017
7:45 a.m.

DISCOVERY CENTER
BOARD ROOM
THE DALLES, OREGON

COUNCIL PRESENT: Linda Miller, Darcy Long-Curtiss, Tim McGlothlin, Mayor Lawrence

STAFF PRESENT: City Manager Julie Krueger, City Attorney Gene Parker, City Clerk Izetta Grossman, Finance Director Angie Wilson, Planning Director Steve Harris, Public Works Director Dave Anderson, Police Chief Patrick Ashmore, Human Resources Director Daniel Hunter, Assistant to the City Manager Matthew Klebes, Police Captain Jamie Carrico, City Engineer Dale McCabe, Regulatory Manager Jill Hoyenga, Librarian Jeff Wavrunek, Water Distribution Manager Ray Johnson, Wastewater Division Manager Steve Byers, Water Treatment Plant Manager Larry McCollum, IT Manager Patty Salmon

City Manager Krueger introduced Caryn Tilton of CT Consulting.

Ms. Tilton led the group through a training including:

- Avoiding the rut of status quo
- Operational Accountability
- Public Governance
 - Council Policy Setters
 - Code of Conduct
 - City Manager Relationship Policy
 - City Manager Accountability
 - Strategic Direction Policy

MINUTES

Regular City Council Meeting

July 19, 2017

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- Strategic Planning
- Annual Performance Plan
- Performance Management
- Personal Characteristics of Leaders
 - Character Choices
 - Action Choices
 - Investment Choices

Tilton emphasized:

- Integrity was foundational – 100% of the time
- Deciding to do something wasn't the same as doing something
- Successful people are action oriented
- Average people are talk oriented

Tilton provided a book titled "Monday Choices" to everyone in attendance and encouraged the group to reach out to her with questions, or if they desired to have any of the forms she talked about.

The training concluded at approximately 1:00 p.m.

Submitted by/
Izetta Grossman
City Clerk

SIGNED:

Stephen E. Lawrence, Mayor

ATTEST:

Izetta Grossman, City Clerk

MINUTES
REGULAR COUNCIL MEETING
OF
July 24, 2017
5:30 p.m.

THE DALLES CITY HALL
313 COURT STREET
THE DALLES, OREGON

- PRESIDING:** Mayor Stephen Lawrence
- COUNCIL PRESENT:** Russ Brown, Linda Miller, Darcy Long-Curtiss, Tim McGlothlin
- COUNCIL ABSENT:** Taner Elliott
- STAFF PRESENT:** City Manager Julie Krueger, City Attorney Gene Parker, City Clerk Izetta Grossman, Planning Director Steve Harris, Public Works Director Dave Anderson, Police Chief Patrick Ashmore, Human Resources Director Daniel Hunter, Assistant to the City Manager Matthew Klebes

CALL TO ORDER

The meeting was called to order by Mayor Lawrence at 5:30 p.m.

ROLL CALL

Roll call was conducted by City Clerk Grossman, Elliott absent.

PLEDGE OF ALLEGIANCE

Mayor Lawrence invited the audience to join in the Pledge of Allegiance.

MINUTES

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APPROVAL OF AGENDA

It was moved by Miller and seconded by Long-Curtiss to approve the agenda as submitted. The motion carried unanimously, Elliott absent.

PRESENTATIONS/PROCLAMATIONS

Drive Less Connect Challenge Proclamation

Mid Columbia Economic Development District Executive Director Amanda Hoey said the Drive Less Connect Challenge was September 16-30.

Mayor Lawrence presented Hoey with the Proclamation.

Department of Environmental Quality (DEQ) AmeriTies Update – Greg Svelund

Greg Svelund and Linda Hays Gorman of the DEQ gave an update on AmeriTies, explaining the process and enforcement process. They handed out a map (attached) that identified point and mobile sources, and a map of air monitoring stations.

Svelund Thanked the City for open communication and for allowing monitoring devices on public property.

They said there were three areas: Odor, Air Quality and Health. Svelund said AmeriTies was in compliance with their air quality permit. He said the DEQ receives a lot of complaints on the odor. He said odors were difficult to regulate.

Svelund said in 2016 AmeriTies signed a voluntary Enforceable Agreement. He said they were in compliance with that agreement.

Svelund said the DEQ was starting a second round of 60 day monitoring. He said the results would be posted on the DEQ website.

He said a new monitoring station would be at the Library. That program would be a full air quality monitoring program that will run for a full year. He said the program would begin next week.

Councilor Brown asked if there were any statistics on the long term health of the employees at the plant. Svelund said that would be something OSHA would monitor, and their level is much higher.

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Svelund said that as part of the 2016 agreement, AmeriTies had changed the chemical makeup of preservative used.

Mayor Lawrence asked what role the DEQ had in enforcement. Hays Gorman said there are no regulations in place that specify limits. She said without regulation there was nothing for them to work from. She said the 2016 Enforceable Agreement was what they would work from.

Councilor Long-Curtiss asked if the complaints had dropped after the change in preservative. Svelund said complaints had dropped, but could not be tied directly to the change.

Risk Management – Human Resources Director Daniel Hunter

Human Resources Director Hunter reviewed the staff report.

Hunter said the Executive Team would reassess and audit risk annually.

In response to a question Hunter said the Executive Team consisted of the City Manager, Department Managers, and the Assistant to the City Manager.

CITY MANAGER REPORT

City Manager Krueger reported that a developer had shared with staff that local lenders had the opinion that downtown mixed use development use was high risk. She would like to develop a group to discuss changing that perception.

Krueger recommended the group consist of herself, the Mayor, Planning Director, Finance Director, Port of The Dalles, Main Street, and Mid Columbia Economic Development District.

Councilor Long-Curtiss said Urban Renewal had some questions regarding that. She suggested a representative from Urban Renewal be part of the group, so that they could report back to the Agency. It was agreed Urban Renewal would have a representative.

CITY ATTORNEY REPORT

City Attorney Gene Parker reported there were a lot of failed bills at the State level. He said he would continue to follow the new ones. He said he and the Planning Director were looking into the changes to allow accessory buildings, and how that might affect the City.

He said the termination notices had been sent to the Airport manager and Fixed Base Operators. He asked if Council would like staff to contact Klickitat County to determine their desire to

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proceed with Request for Proposals (RFP) for both the Fixed Base Operator and the Airport Management.

He said Assistant to the City Manager Matthew Klebes had been working on an RFP.

Mayor Lawrence said he would begin the discussions with Dave Sauter at Klickitat County, and the Airport Board.

Councilor Long-Curtiss said the issue seemed time sensitive. She said a plan needed to be developed.

Mayor Lawrence said perhaps an interim manager would need to be found.

Parker said he would be on vacation for the rest of the week, and would return on August 7.

CITY COUNCIL REPORTS

Councilor Long-Curtiss reported she attended:

- Urban Renewal Meeting – She and Councilor Elliott continue working with Sunshine Mill; Plan Review
- Governmental Affair with City Manager Krueger

Councilor McGlothlin reported:

- Attended Airport Meeting
- Pickle Ball underway as a partnership between Parks and Recreation and Columbia Gorge Community College

McGlothlin provided Homeless Update:

- Youth Empowerment Shelter had the dishwasher purchased through the Small Grants Program installed
- Working to provide housing for homeless when appropriate
- NEAT Officer provides direct intervention
- Working with various agencies to provide assistance
- Criminal activity was being dealt with quickly
- Discussing ways to address homeless bused from Portland
- Lions and City replacing asphalt floor at the Lions Shelter at Sorosis Park. Lions paying for materials

Councilor Brown said he was concerned about crews spending time on the project instead of street work. Public Works Director Anderson said there was no delay to City work due to assisting with the shelter asphalt.

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Councilor Miller reported on attending:

- Mid Columbia Medical Center meet and greet of new director
- Performance Management Work Session
- Leadership Training
- Urban Renewal meeting
- Sister City meeting

Mayor Lawrence reported on attending:

- Lunch with Dennis Knox, Executive Director Mid Columbia Medical Center
- Ribbon Cutting at Bent River
- Performance Management Work Session – Mayor complimented Assistant to the City Manager Klebes
- Senior Center Elevator ribbon cutting. He noted they were waiting for sign off on elevator – inspections were behind.
- Kris Boler of GOHBI regarding interest in taking over Area Agency on Aging if necessary
- Leadership Training
- Harvey Hall of PUD
- Officer pinning event at the Police Department
- Oregon Mayors Association Conference in Lebanon. He said the Chamber provided a wonderful basket for the raffle.
- Sister City representatives in town on Wednesday

CONSENT AGENDA

It was moved by Miller and seconded by Long-Curtiss to approve the Consent Agenda as presented. The motion carried unanimously, Elliott absent.

Items approved by Consent Agenda were: 1) Approval of July 10, 2017 Regular City Council Meeting Minutes.

ACTION ITEMS

Authorization to Provide Water Service Outside City Limits to 6140 Mill Creek Road for Irrigation of a Commercial Marijuana Growing Operation

Public Works Director Dave Anderson reviewed the staff report.

Anderson said Linda Taylor the business owner was in attendance if Council had questions.

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Councilor Brown said he was concerned about maintenance of the line.

Anderson said there were current customers on the line, and they were informed of maintenance.

Brown said he was concerned about outside city limits commercial use of the line.

Anderson said there were other commercial use customers using the water currently.

McGlothin asked about leaching chemicals.

Anderson said that would be part of the county permitting and Department of Agriculture. He said it would be like any other agricultural use.

Linda Taylor, 5945 Cherry Heights Road, said the property use at this time would be for the supplemental marijuana industry. She said they would be manipulating the oil for the pharmaceutical industry.

She said long term they hope to be supplier for medical tests on the products. She said the regulations are very strict.

Brown said he was concerned about the water resources being available for the town.

Miller said she was concerned about the resources until she learned the precedent had been set long ago for commercial use.

Ms. Taylor said they could sink a well in 2018.

Ms. Taylor said she would be an asset to the community with real jobs, and living wage. She asked that Council reach out to her with any concerns.

It was moved by Miller and seconded by Long-Curtiss to authorize the provision of commercial water service outside City limits to the property located at 6140 Mill Creek Road. The motion carried, Brown apposed, Elliott absent.

EXECUTIVE SESSION

Mayor Lawrence recessed to Executive Session in Accordance with ORS 192.660(2)(h) to Consult With Legal Counsel Concerning Current Litigation or Litigation Likely to be Filed.

Reconvene to Open Session at 7:12 p.m.

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ADJOURNMENT

Being no further business, the meeting adjourned at 7:14 p.m.

Submitted by/
Izetta Grossman
City Clerk

SIGNED: _____
Stephen E. Lawrence, Mayor

ATTEST: _____
Izetta Grossman, City Clerk



AGENDA STAFF REPORT

AGENDA LOCATION: Public Hearing Item #11-A

MEETING DATE: September 11, 2017

TO: Honorable Mayor and City Council

FROM: Dave Anderson, Public Works Director

ISSUE: Extension of Sanitary Sewer Main in East 9th Street and Formation of an Associated Reimbursement District

BACKGROUND: City Council adopted General Ordinance 06-1275 on December 11, 2006 that allows for the formation of reimbursement districts when developers install water or sewer improvements with additional capacity that could be utilized by future users. A district, if approved by City Council, identifies the properties that could potentially benefit from the improvement and allocates a cost to those properties that would be paid when they connect to the improvement. Once formed, a district will remain in effect for a period of 15 years. Improvements must be constructed to City standards to qualify.

City Council considered and indicated support for the formation of a reimbursement district related to the construction of an 8-inch sanitary sewer main on East 9th Street, extending east from Morton Street. Since that time, construction of the new main has been completed by City crews, the City has made application for the formation of a reimbursement district, and a Public Works Director's report has been completed.

General Ordinance 06-1275 requires that a public hearing be conducted, for informational purposes only, in the process of considering an application to form a reimbursement district. All affected property owners were notified of the scheduled public hearing at least 10 days in advance. Following conclusion of the informational hearing, if Council so desires, the attached Resolution No. 17-023 can be adopted which finalizes the process of forming the reimbursement district for the City of The Dalles by establishing the reimbursement fee. The City Council may approve, reject or modify the recommendations contained in the Public Works Director's Report.

The improvements for which formation of a reimbursement district has been requested include the construction of an 8-inch diameter sanitary sewer main, a manhole and a

clean-out in East 9th Street, extending east from Morton Street. Approximately 206 lineal feet of new sewer main was installed. The total cost of materials to construct the improvements was \$6,569.27. It is recommended that the reimbursable costs be established at \$6,569.27, and that a reimbursement fee \$938.46 per connection be established for properties within the district.

Attached is the Public Works Director's Report summarizing the project, the areas proposed to be included in the reimbursement district, the methodology for allocating costs, and a recommendation supporting formation of the reimbursement district.

BUDGET ALLOCATION: The cost to purchase materials for the project, paid from the Wastewater Fund, Fund 55, was \$6,569.27. As connections are made to the new sanitary sewer main over the next 15 years, the Wastewater Fund will be reimbursed. Simple interest will accrue on the unpaid reimbursement fee at the rate of 4.25% annually which shall not compound.

COUNCIL ALTERNATIVES:

1. **Staff Recommendation:** Following the public hearing, *move to adopt Resolution No. 17-023 establishing reimbursement fees for the East 9th Street Sanitary Sewer Improvements reimbursement district as presented in the Public Works Director's Report.*
2. Decline to adoption of Resolution No. 17-023 and provide additional direction to staff.

RESOLUTION NO. 17-023

A RESOLUTION ESTABLISHING A REIMBURSEMENT DISTRICT FOR SANITARY SEWER IMPROVEMENTS IN EAST 9TH STREET, EAST FROM MORTON STREET; AND SETTING AN EFFECTIVE DATE

WHEREAS, the City Council adopted General Ordinance No. 06-1275 on December 11, 2006, authorizing the creation of reimbursement districts for the purpose of making water system and sanitary sewer system public improvements; and

WHEREAS, on May 8, 2017, the City Council indicated support for the construction of a sanitary sewer main in East 9th Street, extending east from Morton Street, using City resources, and the subsequent formation of a reimbursement to recover associated costs as property owners connect to the improvement; and

WHEREAS, the improvements can benefit properties other than those owned by the City when they develop in the future; and

WHEREAS, the Public Works Director has reviewed and evaluated the application submitted by the City, serving as the Developer, and has submitted a written report to the City Council; and

WHEREAS, the City mailed notice of the proposed reimbursement district to all owners of property within the proposed district; and

WHEREAS, the City Council conducted an informational public hearing on September 11, 2017, to consider the Public Works Director's report dated August 16, 2017, and to allow any interested person an opportunity to comment on formation of the proposed reimbursement district;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF THE DALLES RESOLVES AS FOLLOWS:

Section 1. Report Approved. The Public Works Director's report dated August 16, 2017, a copy of which is attached to this Resolution as Exhibit "A" and incorporated herein by this reference, is hereby approved.

Section 2. District Established. A reimbursement district for the construction of an 8-inch diameter sanitary sewer main in East 9th Street, extending east from Morton Street, is hereby established. The reimbursement district shall include the properties described in Section 5 of the Public Works Director's report, attached hereto and incorporated herein by this reference.

Section 3. Reimbursement Fee. Payment of the applicable reimbursement fee of \$938.46 per sanitary sewer connection specified in the Public Works Director's report is a precondition of receiving City permits applicable to the development of parcels located within the reimbursement district pursuant to General Ordinance No. 06-1275.

Section 4. Administration Charge. The administration charge will be waived.

Section 5. Interest Rate. The interest rate to be applied to the reimbursement fee shall be 4.25% per year as a fixed, simple rate that will not compound.

Section 6. Agreement with Developer. Since the City is the Developer, the Council hereby waives the requirement that the City enter into an agreement with the Developer as provided for in Section 6 of General Ordinance No. 06-1275.

Section 7. Effective Date. This Resolution shall be considered effective as of September 11, 2017.

PASSED AND ADOPTED THIS 11TH DAY OF SEPTEMBER, 2017.

Voting Yes, Councilor: _____

Voting No, Councilor: _____

Absent, Councilor: _____

Abstaining, Councilor: _____

AND APPROVED BY THE MAYOR THIS 11th DAY OF SEPTEMBER, 2017.

Stephen E. Lawrence, Mayor

ATTEST:

Izetta Grossman, City Clerk

PUBLIC WORKS DIRECTOR'S REPORT
August 16, 2017

In Response to Application by City Of The Dalles for Establishment of a Reimbursement District for East 9th Street Sanitary Sewer Improvements in the Proposed Amount of \$6,569.27.

SECTION 1: CONTENT OF PUBLIC WORKS DIRECTOR'S REPORT

This report follows the criteria established in General Ordinance 06-1275 which was approved by City Council on December 11, 2006. This written report considers and makes a recommendation concerning each of the following factors:

- A. The project for which an application has been made for formation of a reimbursement district, the reasons for the cost distribution proposal, and an evaluation of the public interest served by the project.
- B. The actual or contracted cost of the public improvement serving the area of the proposed reimbursement district and the portion of the public improvement cost that is reimbursable.
- C. The boundary and size of the reimbursement district.
- D. A methodology for spreading the cost among the properties within the reimbursement district and, where appropriate, defining a "unit" for applying the reimbursement fee to property which may, with City approval, be partitioned, subdivided, altered or modified at some future date.

The methodology should take into consideration the cost of the improvement(s), the value of the unused capacity, any agreements on cost spreading methodology reached by a majority of the property owners within the proposed district, and such other factors as may be deemed relevant by the Public Works Director.

- E. The amount to be charged by the City for an administration fee for the reimbursement agreement. The administration fee shall be fixed by the City Council and will be included to the resolution approving and forming the reimbursement district. The administration fee is due and payable to the City at the time the agreement is signed.

SECTION 2: APPLICATION FOR ESTABLISHMENT OF REIMBURSEMENT DISTRICT

The City has made application for the establishment of a reimbursement district for a public improvement as outlined in Section 2 of City of The Dalles General Ordinance 06-1275. The project is:

- The construction of an 8-inch diameter sanitary sewer main on East 9th Street, extending east from Morton Street for a total length of 206 feet, including the construction of one manhole and one clean-out. The application was made in accordance with the requirements of Section 2 of General Ordinance 06-1275. Construction of the improvements was completed by the City on June 27, 2017.

I have read the project description in the application, reviewed project plans, and reviewed the project with technical staff which indicated that the East 9th Street sanitary sewer extension has been designed and constructed to comply with city standards and provide safe and effective sanitary sewer service to the affected area.

The concept of financing this type of project utilizing a Reimbursement District has been acceptable to the City Council, as indicated by the adoption of General Ordinance 06-1275. This improvement has been determined to be important and beneficial to the identified properties in the area if they develop or connect to the City sanitary sewer system and, therefore, cost sharing conditions are proposed on those properties prior to their development or connection, if the District is approved by Council. The properties which have not, at this time, made application for any development but which will benefit from the improvements, when developed, are included in the reimbursement district.

SECTION 3: FINANCING FOR THE EAST 9TH STREET SANITARY SEWER EXTENSION REIMBURSEMENT DISTRICT

The City has performed all the work and financed all of the costs associated with the East 9th Street sanitary sewer extension, and the services provided by this public improvement are available to property other than that owned by the City. The actual costs incurred by the City (materials, labor and equipment) were included in the application.

SECTION 4: COST OF THE PUBLIC IMPROVEMENT SERVING THE PROPOSED REIMBURSEMENT DISTRICT

The cost of the sanitary sewer main extension on East 9th Street has been determined to be \$6,569.27. It is recommended that the final reimbursable cost, not subject to future changes, be established at \$6,569.27.

SECTION 5: BOUNDARY AND SIZE OF THE REIMBURSEMENT DISTRICT

In accordance with General Ordinance 06-1275, the reimbursement district provides a mechanism whereby both previously conditioned properties and future developable properties will share in the costs of the public improvements that have been constructed by the City.

The sanitary sewer improvements constructed in East 9th Street can provide service to a total of 3 existing parcels, one of which could be partitioned in the future. Two of the existing parcels are planned for the construction of residential duplexes and will therefore require two sanitary sewer connections each. The third parcel could be subdivided into a total of three parcels. The three existing parcels could result in a total of seven connections to the new sanitary sewer main constructed in East 9th Street.

The following reimbursement district properties are to be considered as part of the reimbursement agreement for the East 9th Street sanitary sewer extension:

1. Tax Lot 1N 13E 1 CB 2100 (map 1N13E01CB rev'd 12/5/2016) owned by Phyllis C. Wood
2. Tax Lot 1N 13E 1 CB 2101 (map 1N13E01CB rev'd 12/5/2016) owned by Phyllis C. Wood
3. Tax Lot 1N 13E 1 CB 2200 (map 1N13E01CB rev'd 12/5/2016) owned by Otilia Vann RLT

These properties are outlined in the map included as Attachment "A".

SECTION 6: METHODOLOGY FOR REIMBURSEMENT FEE ALLOCATION TO REIMBURSEMENT DISTRICT

The reimbursement district for the East 9th Street sanitary sewer main extension includes property that is all residentially zoned. All of the reimbursement properties are located adjacent to or near the improvement such that they can connect to the City sanitary sewer system without the extension of any more sewer mainline.

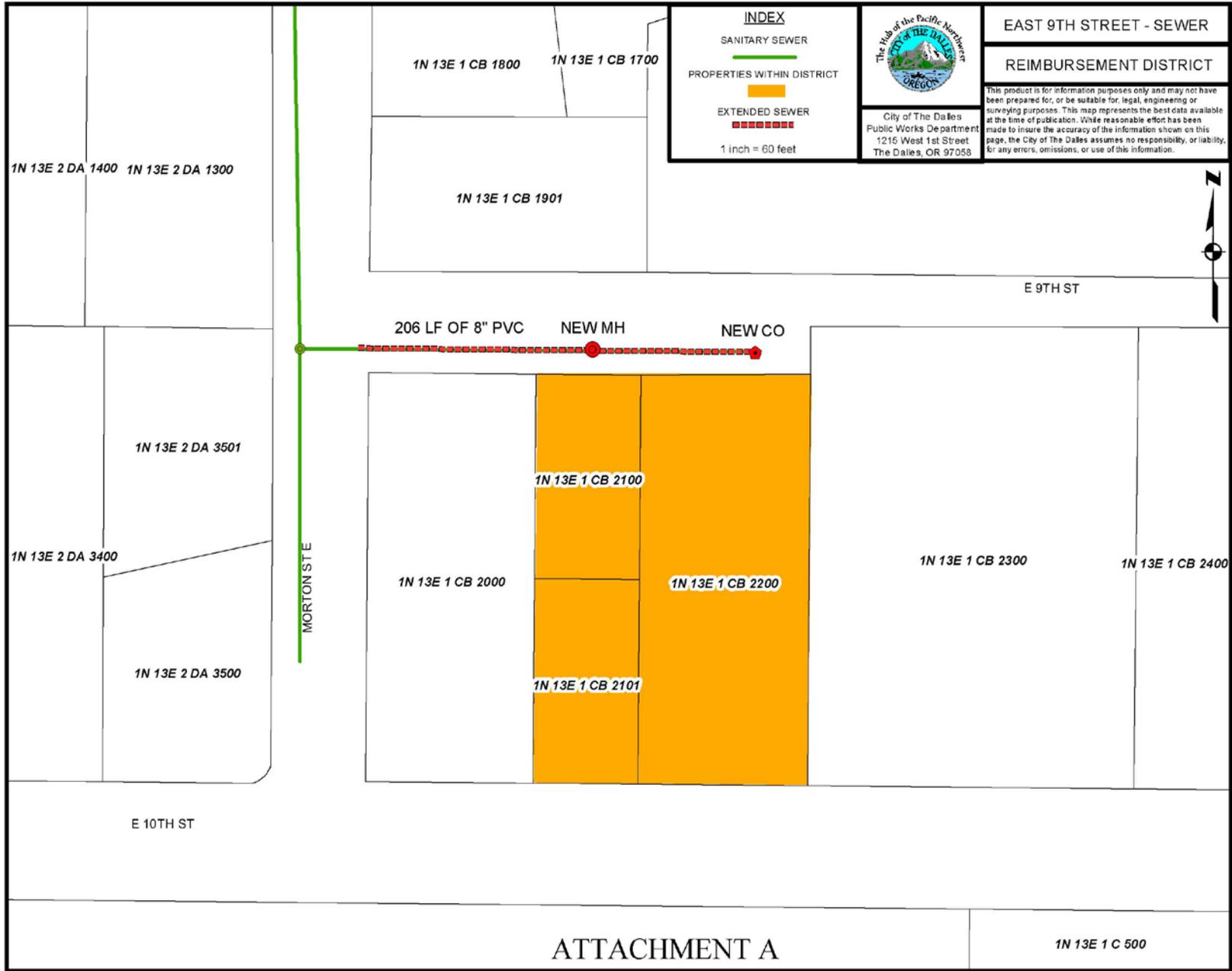
There are a number of methods that could be used for apportionment of costs for a reimbursement agreement for water or sanitary sewer improvements: linear frontage, lot size or area, number of lots, or

number of connections. In this case, it is known how two of the three identified parcels will develop, and it's possible to make a reasonable projection about how the third lot may potentially develop in the future. Therefore, it is possible to identify the number of connections that may connect to the new sanitary sewer main and allocate those costs equally to those future connections. Each connection to the system receives the same benefit from the improvement. Therefore, the method proposed for apportionment of costs for this reimbursement district is "per connection".

Utilizing the methodology outlined above, a reimbursement fee \$938.46 per connection is proposed based upon an assumption that a total of seven connections can be made to the new sanitary sewer main from the three identified parcels.

SECTION 7: ADMINISTRATIVE FEE AND INTEREST RATE TO BE APPLIED TO REIMBURSEMENT DISTRICT

- A. It is recommended that the administration fee as outlined in Section 3 of General Ordinance 06-1275 be waived, as was the application fee, since the City is the applicant.
- B. It is recommended that the interest rate to be applied to the unpaid reimbursement fee be fixed at 4.25 percent (4.25%), the federal prime interest rate on August 16, 2017. It is proposed that interest accrual on the reimbursement fee start 30 days after the effective date of the formation of the reimbursement district. The approved General Ordinance defines that the interest rate shall be fixed and computed against the reimbursement fee as simple interest and will not compound.





AGENDA STAFF REPORT

AGENDA LOCATION: Contract Review Board Item #12-A

MEETING DATE: September 11, 2017

TO: Honorable Mayor and City Council

FROM: Dave Anderson, Public Works Director

ISSUE: Authorization to purchase used Regenerative-Air Street Sweeper

BACKGROUND: Funds were included in the current budget to purchase a used regenerative air (similar to vacuum) street sweeper. This unit would replace our second, older sweeper which is used to suck debris out of storm water catch basins each fall, and which can be used as a second sweeper to help pick up leaves in the short amount of time available between when they fall and when freezing conditions begin, or to pick up sanding rock after winter storm events. The existing vacuum sweeper is 25 years old, has over 5000 hours on it, and is completely rusted out in the hopper area.

Following is a summary of the maintenance costs for the existing street sweeper over the last few years; these expenditures were necessary to keep the unit minimally functional for catch basin cleaning and it is not very effective anymore as a street sweeper. The existing unit is physically deteriorated beyond reasonable repair.

Calendar Year	Repairs/Maintenance
2013	\$2,089.79
2014	\$2,032.09
2015	\$2,872.01
2016	\$5,004.75

Staff has evaluated the used sweeper market and found an opportunity that should meet the City's needs for many years. It is a used 2004 Elgin Crosswind sweeper located in Sacramento, California that has only 411 miles and 36 engine hours on it; the regenerative air motor has only 4 hours of use on it. This is the same make and model as the old sweeper that the City currently has and will be replacing. The California unit was purchased in 2004 by an airport to serve as their backup sweeper and wasn't used. It was

stored indoors all of its life. It has now depreciated out and they have gotten rid of it. The unit has been freshened up with any leaking seals or gaskets replaced, and then the unit was test-run for 4 hours. The price on the unit is \$139,500 plus a \$65 document fee and \$1200 shipping.

A comparison of comparable used sweepers on the west coast was conducted with the following results; the first one listed is the recommended unit.

Model	Year	Engine hours	Miles	Price
<i>Elgin Crosswind</i>	<i>2004</i>	<i>36</i>	<i>411</i>	<i>\$139,500</i>
Elgin Crosswind	2003	4413	32,876	\$143,000
Elgin Crosswind	2013	1955	30,000	\$145,000

It should be noted that the dealer has offered to install a rear suction wand, which is used to clean catch basins, on the unit we are recommending for free within the price quoted; neither of the other two other units listed above has a rear wand.

Also for comparison, the price of a new regenerative air sweeper four years ago was \$250,000.

A \$2500 deposit has been put down on the unit to hold it until City Council could consider the purchase. If the purchase is authorized, the deposit will apply toward the purchase price. If Council denies authorization of the purchase, the deposit will be fully refunded.

It is recommended that the existing 1992 Elgin Crosswind sweeper be declared surplus for disposal either at auction or through a trade-in on the purchase of the newer unit.

BUDGET IMPLICATIONS: The total purchase price of the recommended used sweeper is \$140,765 including document fees and delivery to The Dalles. Within Fund 9, the Public Works Reserve Fund, budget line 009-9000-000.74-20, a total of \$120,000 was budgeted for this purchase. However, this is the fund within which monies are also being saved for a future purchase of a replacement for the AquaTech vacuum tanker truck; the current budget identifies \$184,215 toward that future purchase. Staff proposes that the additional \$20,765 needed for this purchase come from those being banked for the future vacuum truck replacement.

RECOMMENDATIONS:

1. **Staff Recommendation:** *Move to authorize the purchase of a used 2004 Elgin Crosswind street sweeper with a rear wand installed, document fee, and delivery to The Dalles in an amount not to exceed \$140,765, and to declare the 1992 Elgin Crosswind street sweeper as surplus property.*
2. Deny authorization to purchase the used 2004 Elgin Crosswind street sweeper and provide additional direction to staff.



AGENDA STAFF REPORT

AGENDA LOCATION: Action Item #13-A

MEETING DATE: September 11, 2017

TO: Honorable Mayor and City Council

FROM: Julie Krueger, City Manager

ISSUE: Request by Veterans Care Centers of Oregon for funding of KGW-TV Weather Camera.

BACKGROUND: A presentation was made to City Council in July, seeking support for installation of a weather camera at the Veterans Home. Mike Allegre has provided additional information, including the cost, and they are now requesting funding from the City for the installation of the camera, wall mounts, and accompanying equipment. The letter and quote are attached for Council's review. The total amount requested is \$6,188.56.

BUDGET IMPLICATIONS: This type of request should be considered annually during the small grants process. The purpose of that process is to eliminate additional requests throughout the year, after the budget has been adopted. If the City Council wishes to approve funding of this project, the funds would need to be used from contingency. We are still working to achieve our financial policy of having a 10% ending fund balance, which would be negatively impacted by funding additional requests throughout the year and we still have some budget adjustments to be made for items already approved, such as the Safety Officer position, and increase for 911 expenses. It is too early in the fiscal year to estimate revenues and whether we will have any increases over budget for revenues.

COUNCIL ALTERNATIVES:

1. *Staff recommendation:* While this is a great project and good publicity for our community, I can't recommend use of contingency funds. I recommend the Council decline the funding request at this time and encourage the Veterans Home to apply for a grant in January, through the City's small grants program.

2. The City Council could choose to fund the project, reducing the contingency by \$6,188.56.
3. City Council could offer to share the cost equally with the Veterans Home. An equal share of the cost would be \$3,094.28.
4. The City Council could choose a smaller amount as a partial contribution for the project.



August 28, 2017

The Dalles City Council
313 Court St.
The Dalles, OR 97058

Mayor Lawrence,

In July, both Michael Springston from the Oregon Veterans Home and I spoke before the city council and outlined a potential request for funding of the KGW television weather camera that would be placed on the roof of the home. We didn't provide the council with a complete cost estimate, but we mentioned that KGW submitted one for about \$6,200 (see attachment). Our request, on behalf of the Home, was that the city consider funding the cost of the camera, the wall mounts, and the accompanying cables and other items.

The images broadcast from the camera will be a daily reminder to KGW viewers about the city. It will keep the city's name and image in front of viewers and help create increased interest for them to make the city a destination. It is also a reminder that Oregon's first veterans home resides in The Dalles.

KGW engineers will install the camera and its accompanying connection hardware. They also will maintain it and the Home's maintenance department will monitor the camera's operation while working directly with engineers to make adjustments as needed. The video signal from the camera will be sent to KGW via the Home's robust and dependable internet service.

This is a one-time request and one we hope will interest the city and prompt the funding needed to complete the project. Because some time has lapsed between the original time frame we'd hoped to get it installed and the ever-changing work load of KGW's engineers, we're uncertain now when this would be placed at the Home. The unofficial goal for it to be operational is before 2018.

Mayor, we hope that you and your fellow council members will strongly consider this funding request and assist in getting KGW's TV Weather Camera operational to bring their viewers the only look of The Dalles on TV, and of Oregon east of the Cascade mountains.

Thank you for your consideration and we look forward to discussing this with the council in the near future.

Mike Allegra
Quality of Life Coordinator
Veterans Care Centers of Oregon
503-393-3195 / mike@westcaremgt.com



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QUOTE

Quote # CRDQ4946-01
Doc Name KGW - WTI Viper
PTZ Camera with
Marshall Decoder
05-19-17
Date 05/19/17
Sales Rep Clark Rhoads
Terms NET 30

Quote To:

KGW
John Waikart
1501 SW Jefferson St
Portland, OR 97201

Ship To:

KGW
John Waikart
1501 SW Jefferson St
Portland, OR 97201

(503)226-5038

Qty	Manuf	Model	Description	Unit Price	Ext. Price
WTI Viper PTZ H.264 Camera System, POE, 100 ft of RJ-45 with MS Camera Connector, and ENG Brakes					
1	WTI	VS720-H.264-HD30-POE-SE	VIPER PTZ CAMERA, H.264, HD30, POE, SIDE EGRESS, ENG BREAKS	\$3,837.21	\$3,837.21
100	WTI	SWCPOE-MS	SIDEWINDER CABLE ASSEMBLY, POE, SHIELDED CAT-5e, MS TO RJ45, LENGTH 100FT	\$3.20	\$320.00
1	WTI	WTI-POE-I	SIDEWINDER POE INJECTOR	\$261.63	\$261.63
1	WTI	SWWM1 w/VPA	SIDEWINDER WALL MOUNT WITH VERTICAL POLE MOUNT ADAPTER	\$122.73	\$122.73
1	Blackmagic Design	CONVOPENGUDC	OpenGear Converter - UpDownCross	\$440.00	\$440.00
1	Marshall Electronics	VS-104D-3GSDI	1080p/60 Full HD Video Decoder with Stereo Embedded or Analog Audio, 3GSDI & HDMI	\$1,034.09	\$1,034.09
1	Dataprobe	IBOOT-G2	Network Power Switch	\$172.90	\$172.90
TOTAL DOES NOT INCLUDE SHIPPING OR TAXES				Total	\$6,188.56

PROPOSALS FROM HEARTLAND VIDEO SYSTEMS INC. (HVS) ARE VALID FOR 30 DAYS.
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Shipping Charges: Customer will be billed for shipping from vendor to HVS if applicable.
This pricing includes a cash/check discount. If paying by credit card, a handling fee will be added to your amount charged.

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Iowa Office: 375 Collins Rd NE Ste 114, Cedar Rapids, IA 52402, (319) 294-1360 or (800) 332-7088, Fax(920) 893-3106
California Office: Canyon Lake, CA (951) 246-1602 or (800) 332-7088, Fax (951)246-1603
Denver Office: Denver, CO (303) 953-9015 or (800) 332-7088, Fax (920) 893-3106

CRDQ4946-01



AGENDA STAFF REPORT

AGENDA LOCATION: Action Item #13-B

MEETING DATE: September 11, 2017

TO: Honorable Mayor and City Council

FROM: Matthew Klebes, Assistant to the City Manager

ISSUE: Adoption of City of The Dalles Vertical Housing Zone Policy

BACKGROUND: The Vertical Housing Development Zone was adopted into state law in 2001 by Senate Bill 763 and sought to, “encourage the construction or rehabilitation of properties in targeted areas of communities in order to augment the availability of appropriate housing and to revitalize such communities.” This bill allows Cities and Counties to sponsor a Vertical Housing Zone which the City of The Dalles did and received State Certification on February 3, 2014.

The Vertical Housing Zone allows an exemption in accordance with the number of residential floors on a mixed use project with a maximum property tax exemption of 80 percent over 10 years.

Currently, management of the vertical housing zones throughout the State is conducted by the Oregon Housing and Community Services Department. Senate Bill 310, signed by Governor Kate Brown on June 14, 2017, makes the sponsoring entity, City or County, responsible for the review and management of all applications to their sponsored zone.

Attachment A, included in this report, details proposed policy and procedural guidelines for the City of The Dalles Vertical Housing Zone.

BUDGET IMPLICATIONS: Staff time required to process and manage zone applications. Vertical Housing Zone applicants are still eligible for the same property tax exemption for up to a 10 year period as before Senate Bill 310 was passed.

COUNCIL ALTERNATIVES:

1. **Staff recommendation:** *Move to adopt Resolution 17-021 Adopting Policies and Procedures for the Vertical Housing Zone and Designating the Vertical Housing Zone Manager for the City of The Dalles.*
2. Direct staff to make adjustments to the proposed policies and procedures and bring both the policy and resolution back to City Council.
3. Decline to adopt policies, procedures, and resolution at this time.

City of The Dalles
Vertical Housing Zone
Policy and Procedures

The Vertical Housing Development Zone was adopted into state law in 2001 by Senate Bill 763 and sought to, “encourage the construction or rehabilitation of properties in targeted areas of communities in order to augment the availability of appropriate housing and to revitalize such communities.” This bill allows Cities and Counties to sponsor a Vertical Housing Zone, which the City of The Dalles did and received State Certification on February 3, 2014.

Senate Bill 310, signed by Governor Kate Brown on June 14, 2017, makes several substantial changes to the original State managed Vertical Housing Zones. Currently, parties interested in taking advantage of the program would submit an application to the Oregon Housing and Community Services Department to be reviewed and managed. Under the new bill, the sponsoring entity, City or County, will review and manage all zone applications.

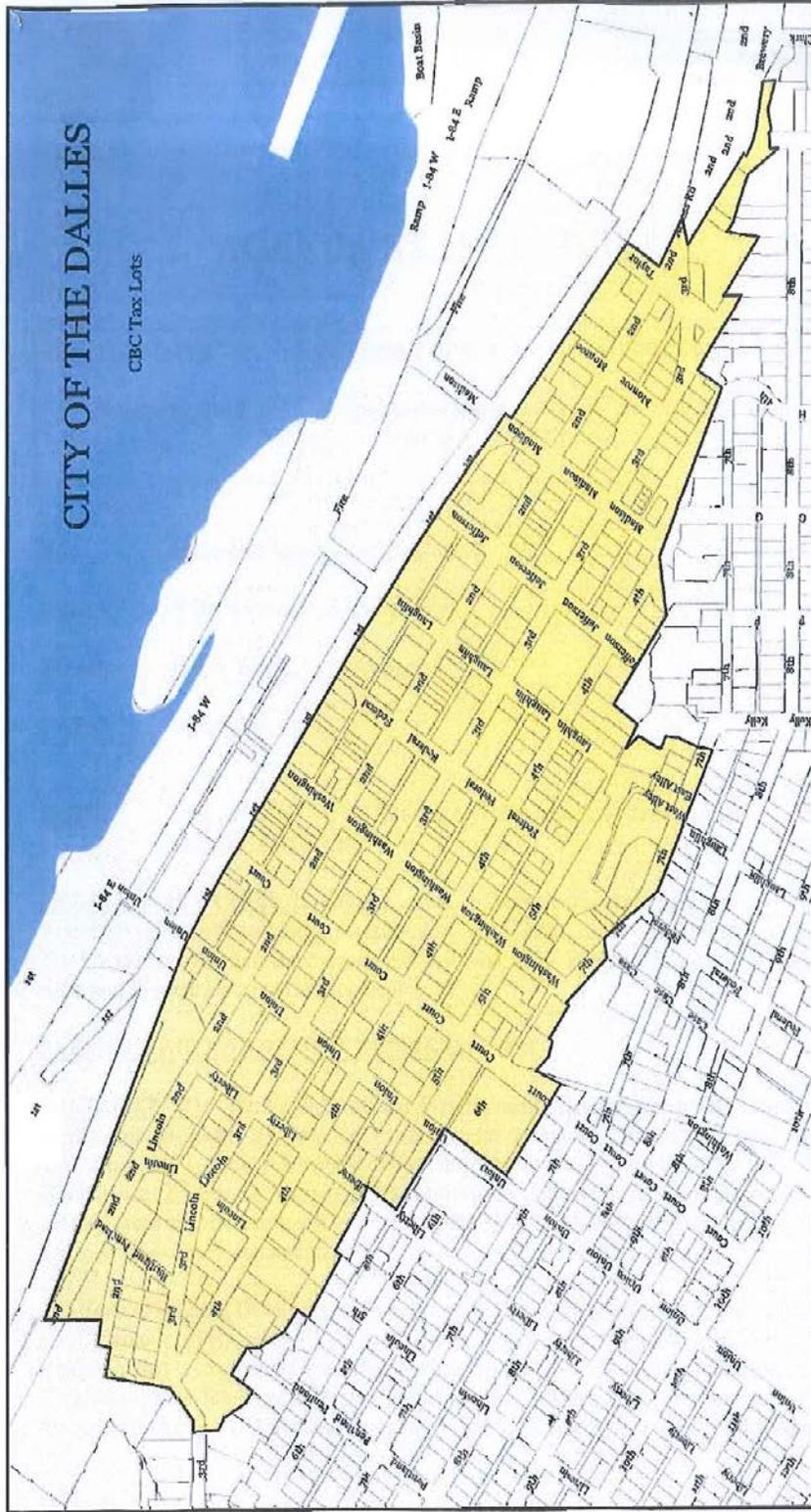
In order to facilitate a smooth transition and effective ongoing management of The City of The Dalles Vertical Housing Zone the below policy and procedure descriptions are set forth:

Process

- The City of The Dalles will have one (1) staff person identified as the Vertical Housing Zone Manager (Zone Manager) by City Council Resolution.
- Interested parties will fill out a City of The Dalles Vertical Housing Zone Application Form along with all required information and submit it to the Zone Manager. Applications can be submitted either electronically or in hard copy form.
- The Zone Manager will conduct a preliminary review of the application and inform the applicant if any additional information is needed. The Zone Manager will use the project application review checklist to assist in this determination.
- Once all information is obtained, the Zone Manager will review the eligibility criteria for the zone and determine if they are met.
- The Zone Manager independently completes the Building Square Footage calculator using the architectural plans that provide the square footage of the building. If the architect’s square footages are inadequate to complete the calculator, the developer will be requested provide the missing information. The Zone Manager’s findings will be compared to the applicant’s square footage calculations and will work with the applicant and their architect to resolve any discrepancies. This is the form that the Zone Manager will rely upon to issue the final “Certification” and legal agreement for the partial property tax exemption.
- If the criteria are met, the Zone Manager will prepare a preliminary Zone Certification Letter from the City. This letter confirms that the project as described is eligible.

- The Zone Manager will issue the final certification after the project is completed, the building square footage calculator is given a final review, and the applicant provides a copy of the certificate of occupancy.

NOTE: The developer is responsible for taking the Certification to the County Assessor who translates the partial property tax exemption percentage into the dollar amount of exemption. The biggest misunderstanding of the program is that it is a tax credit that brings equity into the project. This Program does not bring funds/equity into the project, but provides a partial property tax exemption for a maximum of 10 years.



PROPOSED VHDZ
OPTION 1

RESOLUTION 17-021
A RESOLUTION ADOPTING POLICIES AND PROCEDURES FOR THE
VERTICAL HOUSING ZONE AND DESIGNATING
THE VERTICAL HOUSING ZONE MANAGER
FOR THE CITY OF THE DALLES

WHEREAS, Senate Bill 310 transfers authorization to sponsor as well as approve and manage Vertical Housing Zone applications to the local sponsoring entity; and

WHEREAS, The City of The Dalles sponsored a Vertical Housing Zone in 2014 to assistance development of upstairs residential units in the downtown area.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF THE DALLES RESOLVES AS FOLLOWS:

Section 1. The City of The Dalles adopts policies and procedures to manage the Vertical Housing Zone that require a resolution designating a Vertical Housing Zone Manager.

Section 2. The City of The Dalles appoints Matthew Klebes, Assistant to the City Manager for the City, as the local Vertical Housing Zone Manager

Section 3. Effective Date. This resolution shall be considered effective as of the 11th day of September, 2017.

PASSED AND ADOPTED THIS 11th day of September, 2017.

Voting Yes, Councilors: _____
Voting No, Councilors: _____
Absent, Councilors: _____
Abstaining, Councilors: _____

AND APPROVED BY THE MAYOR THIS 11th day of September, 2017.

Steve Lawrence, Mayor

Attest:

Izetta Grossman, City Clerk



AGENDA STAFF REPORT

AGENDA LOCATION: Action Item #13-C

MEETING DATE: September 11, 2017

TO: Honorable Mayor and City Council

FROM: Gene Parker, City Attorney

ISSUE: Approval of proposed ground lease for construction of private airport hangar at Columbia Gorge Regional Airport

BACKGROUND: At its July 19, 2017 meeting the Regional Airport Board adopted a motion to approve a ground lease with Gary and Jeanne Englund for the leasing of a portion of the Airport premises for the construction of a private hangar, with the ground lease to include the same terms and provisions as other ground lease agreements which the City and Klickitat County have approved. The Airport Board authorized Mr. Englund to begin work on the hangar while the ground lease was being prepared for execution.

As a result of miscommunication between the Airport Board and Mr. Englund, he was not advised that a standard provision of the ground leases for the construction of a private hangar required that the Airport Board approve the plans and specifications for any hangar before construction work began on the hangar. Mr. Englund hired a contractor to begin construction of a hangar which included the use of poles to support the hangar, and a stop work order was placed upon the project.

Mr. Englund appeared before the Airport Board during its meeting on August 18th, and provided information from his contractor as to the proposed hangar which he desired to construct upon the property. The Airport Board voted to allow Mr. Englund to proceed with the project, subject to the execution of a ground lease with the City and Klickitat County. A copy of the proposed ground lease is included with this staff report. The key provisions of the ground lease are as follows:

1. Section 2. On page 2, the lease provides the initial term of the lease is for a 20 year period, with the option by Mr. and Mrs. Englund to extend the lease for two additional terms of 10 years.

2. Section 3. Section 3.1 on page 2 provides the base rent for the ground lease is \$792.00 and the rent will be paid in 5 year installments. The lease provides for an increase for each successive 5 year period based upon the increase in the Consumer Price Index for the previous 5 year period, with a provision that any increase in the rent shall not exceed 15% of the previous base year rent.

3. Section 5. Section 5.3 on page 4 includes a provision requiring that the poles used to support the hangar must be wrapped with tar paper or an equivalent material approved by the Airport Board, to ensure that the poles do not deteriorate over the term of the lease. This section also includes a provision that the Tenant shall periodically inspect the poles for any signs of deterioration, and if any deterioration is discovered, the Tenant shall take steps such as nailing angle-iron anchors from the poles to the concrete, or treating the poles with a material approved by the City and Klickitat County. Section 5.3 includes the standard provisions that the Airport Board must approve the plans and specifications for the hangar.

4. Section 8. Section 8.3 on page 7 includes a provision that a certificate of occupancy will not be issued for the hangar until the City and County complete the construction of a drainage pond and drainage system which will be connected to the hangar. Mr. and Mrs. England have asked whether this provision could be modified to allow their plane to be stored in the hangar while work is being done on the drainage pond and drainage system. As of the preparation of this staff report, we had not received a response from the Klickitat County Building Department whether this provision can be modified.

5. Section 12. On page 9, Section 12.2 provides that upon termination of the lease, the parties shall mutually inspect the hangar. The City and County have the option to have the leased premises evaluated for any potential environmental contamination at the expense of the City and County. If the leased premises are found to be contaminated, Mr. and Mrs. Englund agree to pay for the costs of remediation. The City and County have the option to acquire ownership of the hangar, or to require Mr. and Mrs. Englund to remove the hangar at the termination of the lease agreement.

BUDGET IMPLICATIONS: As noted previously, the initial base rent is \$792 annually. In terms of the costs for installation of the drainage system which is a condition of occupancy of the hangar, the Airport Board has authorized the sums of \$5,000, \$3,000, and \$2,000 for engineering services to prepare the plans and specifications, bidding documents, and assistance with the award of the construction project.

COUNCIL ALTERNATIVES:

1. *Staff recommendation: Move to authorize the City Manager, City Clerk, and City Attorney to execute the ground lease agreement with Gary and Jeanne Englund and forward the agreement to Klickitat County for execution by its officials and staff members.*
2. Provide direction to staff for revisions to be made to the proposed lease agreement and present a revised lease agreement to the Council at a future Council meeting.

GROUND LEASE

between

CITY OF THE DALLES & KLICKITAT COUNTY

and

GARY & JEANNE ENGLUND

WHEREAS, the **CITY OF THE DALLES**, a municipal corporation of the State of Oregon, and **KLICKITAT COUNTY**, a municipal corporation of the State of Washington, hereinafter jointly referred to as Landlord, are the joint owners and operators of the Columbia Gorge Regional Airport located in Dallesport, Washington; and

WHEREAS, **GARY & JEANNE ENGLUND**, hereinafter referred to as Tenant, desires to enter into an agreement with Landlord for the lease of property located at the Columbia Gorge Regional Airport, upon which Tenant proposes to construct an aircraft hangar at the Tenant's sole cost and expense; and

WHEREAS, under the proposed Ground Lease, during construction of the hangar and upon completion of construction, ownership of the hangar shall belong to the Tenant; and

WHEREAS, Landlord shall not be a party to any sublease of the hangar entered into between the Tenant and Tenant's subtenants;

NOW, THEREFORE, in consideration of the provisions set forth herein, it is mutually agreed as follows:

SECTION 1. LEASED PREMISES. For and in consideration of the rent and faithful performance by Tenant of the terms and conditions and the mutual covenants hereof, Landlord does hereby lease to Tenant, and Tenant hereby leases from Landlord, subject to all easements and encumbrances of record, that parcel of real property described in Exhibit "A" consisting of approximately 2,640 square feet leased space. Attached hereto as Exhibit "B" is a survey map showing the location of the leased premises. Tenant has inspected the property described in Exhibit

“A” and accepts the property as-is, finding it suitable for Tenant’s intended use, which is constructing and maintaining an aircraft hangar.

SECTION 2. TERM. This lease shall be for a term of twenty (20) years, and shall commence October 1, 2017, and shall end at midnight on September 30, 2037, unless sooner terminated as provided in this Lease, or unless the term is renewed as provided in this Lease. This Lease may be renewed by the Tenant for two (2) additional terms of ten (10) years each, provided Tenant gives notice of its desire to renew in writing to Landlord by the later of the following dates: by no later than three hundred sixty-five days (365) days prior to the expiration of the initial twenty (20) year term, or by no later than one hundred twenty (120) days after the Landlord has given written notice to Tenant that the Lease will expire unless it has been renewed for an additional ten (10) year term; and by no later than three hundred sixty-five (365) days prior to the expiration of the first additional ten (10) year term, or by no later than one hundred twenty (120) days after the Landlord has given written notice to Tenant that the Lease will expire unless it has been renewed for a second additional ten (10) year term; and provided further that Tenant is not in default at the time any notice is given under this Section. All of the provisions in the Lease for the initial twenty (20) year term shall apply to the additional ten (10) year renewal terms, including the provision for rental increases as set forth in Section 3.2. October 1, 2017, shall hereinafter be referred to as the “Commencement Date” of this Lease.

SECTION 3. RENT. Tenant shall pay Landlord rent for use of the Leased Premises during the term of this Lease in accordance with the following provisions.

- 3.1 **Base Rent.** For the first five (5) years of the Lease, for the period from the 1st day of October, 2017, until the 1st day of October, 2022, the Tenant shall pay rent at the rate of \$0.30 per square foot of real property. The property is composed of 2,640 square feet. Therefore, the base rent shall be \$792.00 per year. The rent shall be paid in one (1) FIVE YEAR INSTALLMENT of \$3,960.00 with the first payment due on October 1, 2017. Each subsequent rental period shall be based upon a single

installment payment covering a period of FIVE YEARS due at the beginning of said period as stipulated in section 3.2

- 3.2 Future Rental Periods. On every five (5) year anniversary of the date of this Lease, the amount of rent to be paid for the following successive five (5) year period shall be increased in the amount of increase of the Consumer Price Index for the Portland Vancouver metropolitan area for each year of the previous five (5) year rental period, with the provision that the annual base rental paid during any five (5) year period shall not be increased more than fifteen percent (15%) of the annual base rental paid during the preceding five (5) year period. For example, the annual BASE rental for the period from the 1st day of October, 2022, until the 1st day of January, 2027, shall not exceed the sum of \$910.88. Landlord shall provide advance notice of not less than ninety (90) days to Tenant of any intended increase in the BASE rental amount; provided, that failure by Landlord to provide such notice shall not constitute a waiver of the right to increase the rental amount for any particular five (5) year period during which the rental amount is subject to an increase.

SECTION 4. USE OF THE PREMISES.

- 4.1 Permitted Use. Tenant may use the Leased Premises for the purpose of constructing and maintaining an aircraft hangar, which will allow for storage of aircraft and related parts and equipment.
- 4.2 The Hangar shall be constructed in such a manner that there shall be a ten (10) foot separation between the hangar to be constructed, and the existing adjacent hangar.
- 4.3 Restrictions on Sublease. Any lease of the hangar to be constructed on the Leased Premises (“Sublease”) shall substantially comply with the provisions of the Landlord’s Uniform Hangar Lease for the Airport, a copy of which is attached hereto as Exhibit “C”, and as those provisions are amended in the future, including rental rates that are consistent with Landlord’s Uniform Rate Structure. A copy of this

Lease shall be attached to each Sublease. Every Sublease shall include a provision that allows Tenant or Landlord to terminate the Sublease, in the event this Lease has been terminated by Landlord, upon providing thirty (30) days written notice.

SECTION 5. REPAIRS, MAINTENANCE, INSPECTION AND IMPROVEMENTS.

- 5.1 Repairs. Tenant shall have the total responsibility for all repairs and maintenance required to keep the Leased Premises, including, but not limited to the hangar, in good repair.
- 5.2 Inspection of Premises. Landlord shall have the right to inspect the Leased Premises at any reasonable time or times to determine the necessity of repair.
- 5.3 Improvements. Tenant shall construct at Tenant's sole expense an aircraft hangar pole building, as generally shown on Exhibit "D" (the "Hangar"). The poles shall be wrapped with tar paper or an equivalent material approved by the Landlord, below and above the concreted floor of the aircraft hangar. Throughout the term of this lease, Tenant shall periodically inspect the poles for signs of deterioration. In the event Tenant discovers evidence of deterioration in any of the poles, Tenant shall take steps at his expense such as nailing angle-iron anchors from the poles to the concrete, or treating the poles with a material approved by Landlord. Tenant shall also be responsible for maintaining the ten (10) foot setback area between the proposed hangar and the existing adjacent hangar free from noxious vegetation. Prior to completion of construction of the Hangar, Tenant shall submit the plans and specifications to the Columbia Gorge Regional Airport Board (the "Board"), seeking the Board's approval. The Board shall review the plans and specifications submitted by Tenant for the purposes of overseeing Tenant's compliance with the terms of this Lease and the airport rules adopted by the Board. Tenant shall comply with and obtain all approvals required under Klickitat County's land use regulations prior to submitting the plans and specifications to the Board. Within seven (7) days of

submittal, the Board shall notify Tenant of its approval or disapproval. If disapproved, the Board shall also provide Tenant with the reason for such disapproval. Once approved by the Board, the plans and specifications shall either be attached to this Lease as Exhibit "E" or identified in such exhibit by date and name of the architect or engineer who prepared them. Construction shall be completed within twelve (12) months from the commencement date of this lease.

SECTION 6. ALTERATIONS AND ADDITIONS.

6.1 Tenant shall not make any material external alterations to, or erect any additional structures or make any material improvements on the Leased Premises without prior written consent of the Landlord, which consent shall not be unreasonably withheld. Any external alteration or addition approved by Landlord shall be constructed at the sole expense of Tenant. Upon approval by Landlord of any such alteration or addition, Landlord shall notify Tenant whether such alterations made shall remain on the Leased Premises and be acquired by Landlord or be removed from the Leased Premises by Tenant at its sole cost and expense upon expiration or earlier termination of this Lease. If Landlord elects to require Tenant to remove any alterations, Tenant at its sole cost, shall remove such alterations and restore the Leased Premises to the conditions existing immediately prior to the addition of such alteration (reasonable wear and tear excepted) on or before the last day of the term of this Lease. If acquired by Landlord, such alterations, additions and/or improvements shall be taken into account in determining the fair market value of the Hangar and paid by Landlord on or before the last day of the term of this Lease, pursuant to Sections 12 and 13 of this Lease.

SECTION 7. INSURANCE.

7.1 Tenant shall keep the Leased Premises and all improvements thereon insured at Tenant's expense against fire and other risks covered by a standard fire insurance

policy with an endorsement for extended coverage. Insurance shall be on a replacement cost basis to the full insurable value of the improvement. Neither party shall be liable to the other for any loss or damage caused by fire or any of the risks enumerated in a standard fire insurance policy with an extended endorsement if such insurance was obtainable at the time of such loss or damage.

- 7.2 Liability Insurance. Before going into possession of the Leased Premises, Tenant shall procure and shall continue during the term of this Lease, to carry public liability and property damage insurance which shall cover all risks arising directly or indirectly out of its activities on or any condition of the Leased Premises whether or not related to an occurrence caused or contributed to by Landlord's negligence. The policy limits shall not be less than \$1,000,000 on a combined single limit basis. Landlord and the Columbia Gorge Regional Airport Board shall be named as additional insureds on said policy. Certificates evidencing such insurance and bearing endorsements requiring thirty (30) days written notice to Landlord prior to any change or cancellation shall be furnished to Landlord prior to Tenant's occupancy of the property. Failure of Tenant to maintain an approved insurance policy shall constitute a default under this Lease.
- 7.3 Every five (5) years on the anniversary date of the Commencement Date, during which the term of the Lease remains in effect, including the two (2) additional terms of ten (10) years each if the Lease is renewed, Landlord and Tenant shall review the amount of coverage for public liability and property damage insurance to be maintained by Tenant, to ensure the amount of coverage is equivalent in value to \$1,000,000 measured in 2017 dollars. At any time during any of these five (5) year review periods, if Tenant fails to provide proof of increased coverage in an amount which Landlord and Tenant have mutually agreed is necessary, Landlord may terminate this Lease under the provisions of Section 12.

- 7.4 Any subleases of the Leased Premises entered into by Tenant with a subtenant shall provide that liability insurance policies obtained by the subtenants shall name the Landlord and the Columbia Gorge Regional Airport Board as additional insureds under the policies.

SECTION 8. TAXES; UTILITIES.

- 8.1 Taxes. Tenant shall pay as due all taxes, for personal and real property, assessments, license fees, and other charges which are levied and assessed upon Tenant's interests in the Leased Premises, by any legally authorized governmental authority. Tenant is responsible for real property taxes imposed by Klickitat County upon the Leased Premises which reflect the property's pro-rata share of the real property taxes imposed by Klickitat County upon the Airport property.
- 8.2 Utility Charges. Tenant shall pay when due all charges for services and utilities incurred in connection with the use, occupancy, operation and maintenance of the Leased Premises, including, but not limited to, water, gas, electricity, sewage disposal and power.
- 8.3 Installation of Utilities. Tenant acknowledges that the Leased Premises are currently vacant and unimproved, and that Tenant shall be responsible for the costs of connecting all necessary utilities from the location to which the utilities are currently stubbed, to provide services to the Hangar which Tenant shall construct. Tenant shall also be responsible for the costs of any required relocation of the utilities during the term of this Lease. Tenant also acknowledges that Tenant's right to obtain a final certificate of occupancy is subject to the Landlord's completion, at Landlord's expense, of a drainage pond and drainage system which shall be connected to the airport hangar to be constructed by Tenant.

SECTION 9. INDEMNIFICATION. Tenant shall indemnify, defend, save, protect, and hold harmless the Landlord, its officers, agents and employees from any claim, loss or liability,

including reasonable attorneys' fees, arising out of or related to any activity of Tenant on the Leased Premises or any condition of the Leased Premises in the possession or under the control of Tenant. Landlord shall have no liability to Tenant for any injury to Tenant for any injury, loss, or damage caused by third parties or by any condition of the Leased Premises, except to the extent caused by Landlord's negligence or breach of duty under this Lease.

SECTION 10. ASSIGNMENT. Tenant shall not assign, sell or transfer its interest in this Lease without having first obtained the express written consent of the Landlord, which consent shall not be unreasonably withheld by Landlord; provided, however, that as conditions to any consent to any assignment, sale or transfer (collectively "transfer"), Landlord may require the following: (i) financial statements, credit reports, or other such information about an assignee as Landlord may deem reasonably necessary to ascertain transferee's ability to satisfy its financial and other obligations under this Lease; (ii) that Tenant and transferee enter into Landlord's then current form of ground lease or an amendment of this Lease; (iii) an environmental assessment of the Leased Premises, at Tenant's expense; and/or (iv) that any agreement between Tenant and the transferee does not include any payment or compensation to Tenant other than transferee's agreement to pay the then current rental rate due and perform all obligations of Tenant required under this Lease. Landlord's consent to an assignment of this Lease shall not be construed to release or discharge Tenant of its obligations and liabilities under this Lease. In the event Tenant shall attempt to assign, sell or transfer its interest in this Lease or any part hereof, without having first obtained the express written consent of Landlord, this Lease shall be null and void and Landlord shall have an immediate right of entry.

SECTION 11. DEFAULT. The following shall be events of default:

11.1 Default in Rent. Failure of Tenant to pay any rent or other charge within ten (10) days after it is due.

- 11.2 Default in Other Covenants. Failure of Tenant to comply with any term or condition or fulfill any obligation of the Lease (other than the payment of rent or other charges) within twenty (20) days after written notice by Landlord.
- 11.3 Insolvency of Tenant; assignment by Tenant for the benefit of creditors; filing by Tenant of a voluntary petition in bankruptcy; adjudication that Tenant is bankrupt or the appointment of a receiver of the properties of Tenant; failure of Tenant to secure dismissal of an involuntary petition of bankruptcy within thirty (30) days after filing; and attachment of or levying of execution on the leasehold interest of Tenant.

SECTION 12. REMEDIES ON DEFAULT.

- 12.1 Termination. In the event of a default the Lease may be terminated by Landlord upon written notice to Tenant. Whether or not the Lease is terminated by the election of Landlord or otherwise, Landlord shall be entitled to recover damages from Tenant for the default. Landlord may reenter, take possession of the Leased Premises, and remove any persons or property by legal action or by self-help with the use of reasonable force and without liability for damages and without having accepted a surrender.
- 12.2 Disposition of Hangar. At the time of termination of the Lease under this Section, Landlord and Tenant shall mutually inspect the conditions of the supporting poles in the airport hangar to be constructed by Tenant. In the event Landlord and Tenant agree that any pole has or any poles have deteriorated to the point where replacement of the pole or poles is necessary, Tenant shall have the option to replace the deteriorating pole or poles, or remove the hangar including the deteriorated pole(s) if directed to do so by Landlord. Landlord shall have the option at its expense to have the soil on the leased premises tested for any environmental contamination resulting from the presence of the airport hangar to be constructed by Tenant. Landlord shall provide a copy of any report documenting the presence of environmental

contamination to Tenant and Tenant shall be responsible for the costs or removal of the contaminated soil and remediation of the leased premises. At the termination of the Lease under this Section, Landlord may elect and shall notify Tenant of Landlord's election to either acquire the Hangar or require Tenant to remove the Hangar. If the Landlord determines that it desires to acquire ownership of the Hangar, Landlord shall pay the fair market value for the Hangar, including any alterations, additions and/or improvements made by Tenant during the term of this Lease, less any damages due Landlord pursuant to Section 12.

In the event the Landlord determines that the Hangar must be removed, Tenant shall terminate the Subleases and remove the Hangar within the time period specified in the notice for removal provided by the Landlord to Tenant.

12.3 Reletting. Following reentry or abandonment, Landlord may relet the Leased Premises and in that connection may make any suitable alterations or refurbish the Leased Premises, or both. Landlord may relet the Leased Premises for a term longer or shorter than the term of this Lease, upon any reasonable terms and conditions, including the granting of some rent-free occupancy or other rent concessions.

12.4 Damages. In the event of termination or retaking of possession following default, Landlord shall be entitled to recover immediately, without waiting until the due date, any future rent or until the date fixed for expiration of the Lease term, the following damages:

12.4.1 The loss of rental from the date of default until a new tenant is, or with the exercise of reasonable efforts could have been, secured and paying out.

12.4.2 The reasonable costs of reentry and reletting including without limitation, the cost of any cleanup, refurbishing, removal of Tenant's property and fixtures, remodeling or repairs costs, attorney's fees, court costs, recording costs, broker commission and advertising costs.

- 12.5 Late Fee. In the event Landlord fails to receive rent, or any other payment required by this Lease, within ten (10) days after the due date, Tenant shall pay to Landlord a late charge of five percent (5%) of the payment amount. Tenant shall pay the late charge upon demand by Landlord. Landlord may levy and collect a late charge in addition to all other remedies available for Tenant's default, and collection of a late charge shall not waive the breach caused by the late payment.
- 12.5 Remedies Cumulative. The foregoing remedies shall be in addition to and shall not exclude any other remedy available to Landlord under applicable law.

SECTION 13. TITLE TO PERSONAL PROPERTY; HOLDING OVER.

- 13.1 Tenant's Personal Property. Title to personal property belonging to Tenant shall at all times during the term of this Lease, or any extension thereof, remain in Tenant, and Tenant shall have the right at any time to remove any or all personal property of every kind and nature whatsoever which Tenant may have placed, affixed, or installed upon the Leased Premises, provided that upon Tenant's removal of such personal property, Tenant restores the Leased Premises to its original condition. Tenant shall have the right to remove same provided that upon any such removal, Tenant shall repair, at its own expense, any damages resulting therefrom and leave the Leased Premises in a clean and neat condition, with all other improvements in place.
- 13.2 Holdover. In the event Tenant shall remain in possession of the Leased Premises herein leased after the expiration, cancellation or earlier termination of this Lease, such holding over shall not be deemed to operate as renewal or extension of this Lease, but shall only create a tenancy from month to month which may be terminated at any time by Landlord on thirty (30) days written notice. The amount of monthly rent paid during any holdover tenancy shall be increased by ten percent (10%) over the monthly amount Tenant was paying prior to creation of the holdover tenancy.

SECTION 14. MISCELLANEOUS.

- 14.1 Nonwaiver. Waiver by either party of strict performance of any provision of this Lease shall not be a waiver of or prejudice the party's right to require strict performance of the same provision in the future or of any other provision.
- 14.2 Attorney Fees. If suit or action is instituted in connection with any controversy arising out of this Lease, the prevailing party shall be entitled to recover in addition to costs such sum as the court may adjudge reasonable as attorney fees at trial, on petition for review, and on appeal.
- 14.3 Notices. All notices or other communications required or permitted under this Lease shall be in writing and shall be (a) personally delivered (including by means of professional messenger service), which notices and communications shall be deemed received on receipt at the office of the addressee; (b) sent by registered or certified mail, postage prepaid, return receipt requested, which notices and communications shall be deemed received three (3) days after deposit in the United States mail; or, (c) sent by fax, which notices and communications shall be deemed received on the delivering party's receipt of a transmission confirmation.
- 14.4 Interest on Rent and Other Charges. Any rent or other payments required of Tenant by this Lease shall, if not paid within ten (10) days after it is due, bear interest at the rate of twelve percent (12%) per annum (but not in any event at a rate greater than the maximum rate of interest permitted by law) from the due date until paid. This is in addition to the five percent (5%) "late fee."
- 14.5 Time of Essence. Time is of the essence of the performance of each of Tenant's obligations under this Lease.
- 14.6 Damage or Destruction by Fire or Other Casualty. If the Hangar is damaged or destroyed and Tenant elects to repair the Hangar, then Tenant shall promptly do whatever is necessary to repair, rebuild or restore the Hangar to the condition allowed

under this Lease. Any insurance proceeds must be used to restore the Leased Premises, including any improvements, at Landlord's election. If the Leased Premises are not repaired then Tenant shall promptly remove whatever is left of the Hangar and other improvements and all debris and shall restore the Leased Premises to Landlord's satisfaction.

14.7 Aircraft Use and Development. Landlord reserves the right to further develop or improve the landing area of the Airport as it sees fit, regardless of the desires of Tenant and without interference. Landlord reserves the right, but shall not be obligated to Tenant to maintain and keep in repair the landing area of the Airport and all publicly-owned facilities of the Airport, together with the right to direct and control all activities of Tenant in this regard. This Lease shall be subordinate to the provisions and requirements of any existing or future Lease between the Landlord and the United States, relative to the development, operation, and maintenance of the Airport. There is hereby reserved to the Landlord, and its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Leased Premises. This public right of flight shall include the right to cause in said airspace any noise inherent in the operation of any aircraft used for navigation or flight through said airspace or landing at, taking off from, or operation on the Airport. Any physical taking of the Leased Premises for use by the Landlord, other than as provided herein, shall be considered a taking pursuant to the governmental power of eminent domain.

Tenant agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulation in the event future construction of a building is planned for the Leased Premises, or in the event of any planned modification or alteration of any present or future building or structure located upon the Leased Premises. Tenant agrees that it will not erect or permit the erection of any

structure or object, nor permit the growth of any tree on the Leased Premises to exceed the established height contours. In the event of a breach of the foregoing covenants, Landlord reserves the right to enter upon the Leased Premises and remove the offending structure or object and cut the offending tree, all of which shall be at the expense of Tenant. Tenant agrees it will not make use of the Leased Premises in any manner which might interfere with the landing and taking off of aircraft from the Airport, or otherwise constitute a hazard. In the event of a breach of the foregoing covenant, Landlord reserves the right to enter on the Leased Premises and cause the abatement of such interference at the Tenant's expense. It is understood and agreed that nothing contained herein shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1349a). This Lease and all provisions hereof shall be subject to whatever right the United States Government now has or in the future may have or acquire, affecting the control, operation, regulation, and taking over of the Airport by the United States during the time of war or national emergency.

14.8 Mechanic's and Materialman's Liens. Neither Landlord or Tenant shall permit any mechanic's, materialman's, or other lien against the Leased Premises or the property of which the Leased Premises forms a part in connection with any labor, materials, or services furnished or claimed to have been furnished. If any such lien shall be filed against the Leased Premises or property of which the Leased Premises forms a part, the party charged with causing the lien will cause the same to be discharged; provided, however, that either party may contest any such lien, so long as the enforcement thereof is stayed.

14.9 Savings Clause. In the event that any part of this Lease or application thereof shall be determined to be invalid by a court of competent jurisdiction, such findings shall have no effect on the remaining portions of this Lease.

14.10 Written Lease. Neither party has relied upon any promise or representation not contained in this Lease. All previous conversations, negotiations, and understandings are of no further force or effect. This Lease may be modified only in writing signed by both parties.

14.11 Parties Bound. The covenants herein contained shall, subject to the provisions as to assignment and transfer, apply to and bind the heirs, successors, executors, administrators, and assigns of all of the parties hereto; and all of the parties hereto shall be jointly and severally liable hereunder.

14.12 Section Captions. The captions appearing under the section number designations of this Lease are for convenience only and are not a part of this Lease and do not in any way limit or amplify the terms and provisions of this Lease.

SECTION 15. NON-DISCRIMINATION. The Tenant for itself, its heirs, successors and assigns, as part of the consideration hereof, does hereby covenant and agree that in the event facilities are constructed, maintained, or otherwise operated on the Leased Premises for a purpose for which a United States Department of Transportation (DOT) program or activity is extended or for another purpose involving the provision of similar services or benefits, the Tenant shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, DOT, Sub-title A, Office of the Secretary, Part 21, Non-discrimination in Federally Assisted Programs of the Department of Transportation, Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

The Tenant, for itself, its heirs, successors and assigns, as part of the consideration hereof, does covenant and agree that: 1) no person on the grounds of race, color, sex, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to, discrimination in the use of said facilities, 2) that in the construction of any improvements on, over, or under the Leased Premises and the furnishing of services thereon, no person on the grounds of race, color, sex or national origin shall be excluded from participation in, denied the benefits of, or otherwise be

subjected to discrimination, and 3) that the Tenant shall use the Leased Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, DOT, Sub-Title A, Office of the Secretary, Part 21, Non-discrimination in Federally Assisted Programs of the Department of Transportation, Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

In the event of a breach of any of the above non-discrimination covenants, Landlord shall have the right to terminate this Lease and re-enter and repossess said Leased Premises and the facilities thereon, and hold the same as if said Lease had never been made. This provision does not become effective until the procedures of 49 CFR Part 21 are followed and completed, including expiration of appeal rights.

SECTION 16. GOVERNING LAW. This Lease shall be construed in accordance with the laws of the State of Washington, and any litigation arising from the Lease shall be filed in Klickitat County Superior Court; provided that laws applicable to governmental entities under Oregon law, including but not limited to the Oregon Tort Claims Act and Article IX, Sections 5, 7, and 10 of the Oregon Constitution, shall apply to the City. Further, Tenant shall comply with all federal, state, and local laws applicable to the Columbia Gorge Regional Airport, and to the Tenant's use and occupancy of the Leased Premises, including rules adopted by the Columbia Gorge Regional Airport Board and Klickitat County's land use regulations.

SECTION 17. PAYMENTS. Please make payment checks to the City of The Dalles and mail Lease payments to the below:

City of The Dalles
Finance Department
313 Court Street
The Dalles, Oregon 97058

SECTION 18. NOTICES AND COMMUNICATIONS. All notices and communications

may be served by enclosing the notice in a sealed envelope and deposited in the United States Post

Office as certified mail and received by the authorized party below:

Landlord: City of The Dalles City Manager 313 Court Street The Dalles, Oregon 97058	Board of County Commissioners Klickitat County, Washington 205 S. Columbus, Room #103 Goldendale, WA 98620
Tenant: Gary Englund P.O. Box 222 Goldendale, WA 98620	

EXECUTED this ____ day of _____, 2017.

LANDLORD:

TENANT:

CITY OF THE DALLES, a municipal corporation of State of Oregon

Gary Englund

By _____
Julie Krueger, City Manager

Jeanne Englund

ATTEST:

Approved as to form:

By _____
Izetta Grossman, City Clerk,

By _____
Gene Parker, City Attorney

KLICKITAT COUNTY BOARD OF COMMISSIONERS

Chairman

Commissioner

Commissioner

ATTEST:

Approved as to form:

Clerk of the Board

Prosecuting Attorney

EXHIBIT "A"

LEGAL DESCRIPTION
for
Hanger "E" Addition Lease (England)

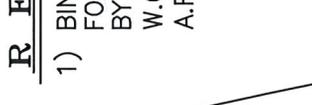
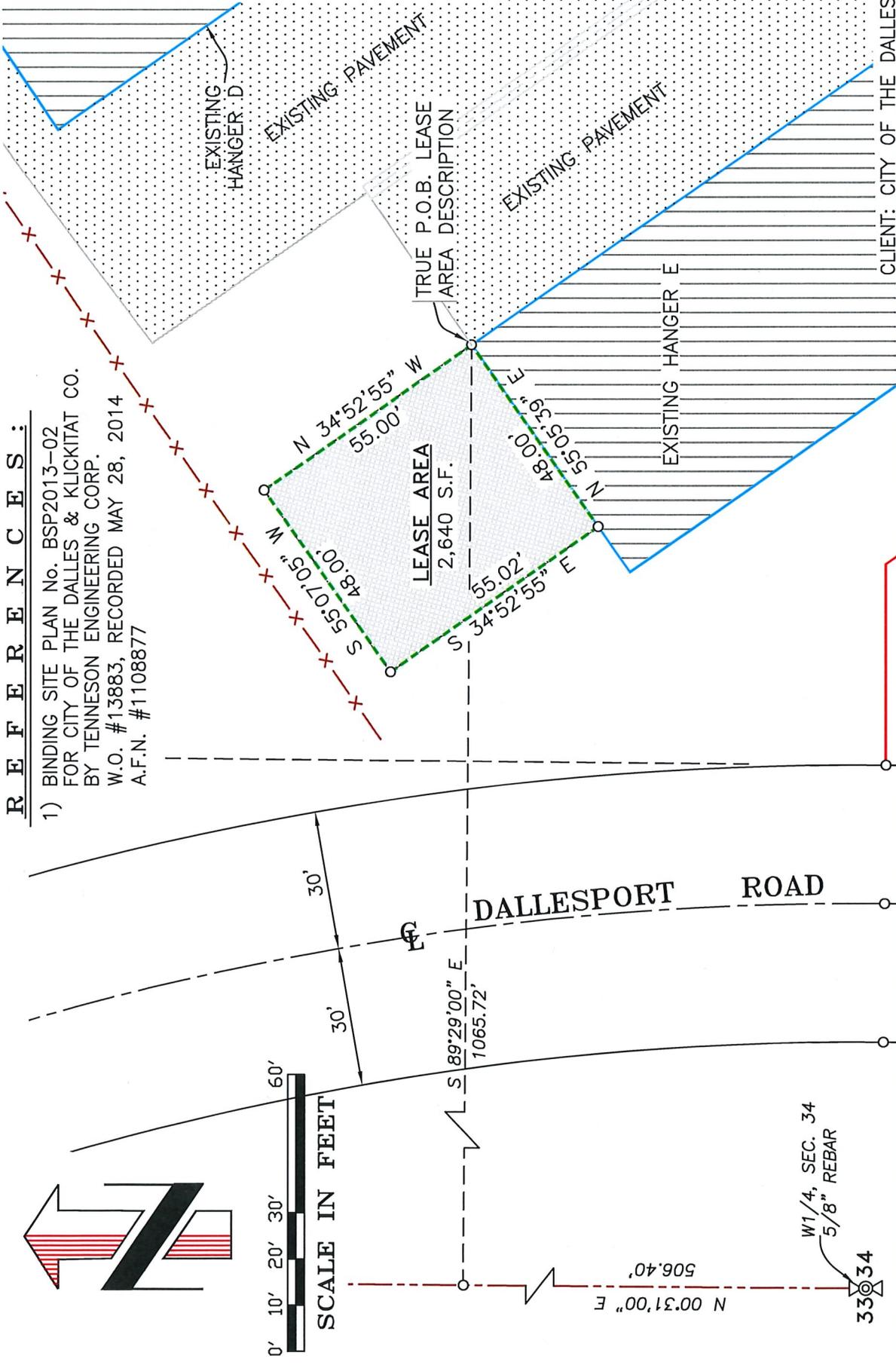
A tract of land lying in the Southwest 1/4 of the Northwest 1/4 of Section 34, Township 2 North, Range 13 East, Willamette Meridian, Klickitat County, Washington, being more particularly described as follows.

Commencing at the Southwest corner of said Northwest 1/4; thence along the West line of said Northwest 1/4, North 00°31'00" East 506.40 feet; thence at a right angle to said West line, South 89°29'00" East 1,065.72 feet to the true point of beginning of this description, said true point of beginning being the northmost corner of the existing Hanger "E" building; thence North 34°52'55" West 55.00 feet; thence South 55°07'05" West 48.00 feet; thence South 34°52'55" East 55.02 feet more or less to the intersection with the northwesterly wall of said Hanger "E" building; thence along said wall, North 55°05'39" East 48.00 feet to the true point of beginning of this description.

Contains 2,640 square feet.

R E F E R E N C E S :

- 1) BINDING SITE PLAN No. BSP2013-02 FOR CITY OF THE DALLES & KLICKITAT CO. BY TENNESON ENGINEERING CORP. W.O. #13883, RECORDED MAY 28, 2014 A.F.N. #1108877



TENNESON ENGINEERING CORP.
 CONSULTING ENGINEERS
 3775 CRATES WAY
 THE DALLES, OREGON 97058
 PH. 541-296-9177 FAX 541-296-6657

Survey	T.E.C.	Calc.	D.O.E.	App.	B.B.B.
Drawn	S.D.H.	Date	8/23/2017	Scale	1" = 30'
Dwg. No.	15090_Exhibit	Work Order No.	15090	Sheet	1 of 1

EXHIBIT MAP OF
 HANGER "E" ADDITION (ENGLAND) LEASE AREA
 COLUMBIA GORGE REGIONAL AIRPORT
 IN THE SW1/4 OF NW1/4, SECTION 34, TWP. 2 N., RANGE 13 E. W.M.
 KLICKITAT COUNTY, WASHINGTON

EXHIBIT "C"
HANGAR LEASE

LANDLORD: The real property and hangar facilities are jointly owned by the City of The Dalles, a municipal corporation of the State of Oregon, and Klickitat County, a municipal corporation of the State of Washington, located at the Columbia Gorge Regional Airport, 45 Airport Way, Dallesport, Washington 98617, said City and County hereinafter referred to as the "Landlord."

TENANT:

Landlord leases to Tenant and Tenant leases from Landlord Hangar Complex _____, Unit _____ No. _____ (the "Premises") on the terms and conditions stated below.

Section 1. Term. This Lease shall commence _____, 20____, and continue through _____, 20____, unless sooner terminated as provided in this Lease.

Section 2. Rent.

2.1 During the term, Tenant shall pay to Landlord as rent the sum of _____ Dollars (\$_____.00) per month. Rent shall be payable on the first (1st) day of each month in advance at such place as may be designated by Landlord, except that rent for the first and last months shall be paid upon the execution of this Lease.

2.2 The Hangar Lease between Landlord and Tenant contains a "Uniform Rate Structure", a copy of which is attached hereto and incorporated herein by

this reference. In conformance of this structure the rent shall be reestablished on July 1st of every calendar year to conform with the Airport's Uniform Rate Structure, as established by the Regional Airport Board. The Uniform Rate Structure shall be established after consideration of the Airport's costs and needs for operation, inflation, taxes, the fair market value of the leased premises and the demand for hangar space at the Airport. The term "fair market rental value" means the most probable lease rate in terms of money which the Premises, including those improvements thereon owned or extended by Landlord, would bring if exposed for lease on the open market, with a reasonable time allowed to find a tenant, leased with full knowledge of the highest and best use of which the Premises could be put consistent with the then most current Airport Master Plan, County and City Comprehensive Plans, and Federal Aviation Administration ("FAA") regulations.

Section 3. Use of the Premises.

- 3.1 Permitted Use. The Premises shall be used for an aircraft hangar and for no other purpose unless specifically approved by the Landlord. If such approval is granted for a use other than for aircraft storage, Tenant shall relinquish its Lease and vacate within thirty (30) days when notified in writing by Landlord that an aircraft storage requirement has been established, and Tenant's Hangar space is needed to accommodate that requirement.
- 3.2 Restrictions on Use. In connection with the use of the Premises, Tenant shall:
 - 3.2.1 Conform to all applicable laws and regulations of any public authority affecting the Premises and the use.

- 3.2.2 Refrain from any use that would be reasonably offensive to other tenants or owners or users of neighboring premises, or that would tend to create a nuisance.
- 3.2.3 Refrain from making any marks on or attaching any sign, insignia, antenna, aerial or other device to the exterior or the interior walls or roof of the Premises without the written consent of Landlord.
- 3.2.4 Tenant shall not cause or permit any Hazardous Substance to be spilled, leaked, disposed of, or otherwise released on or under the Premises or into the stormwater system at the Airport. Tenant may use or otherwise handle on the Premises only the Hazardous Substances typically used or sold in the prudent and safe operation for the hangared aircraft specified in this Lease. Tenant may store such Hazardous Substances on the Premises only in quantities necessary to satisfy Tenant's reasonably anticipated needs. Tenant shall comply with all Environmental Laws and exercise the highest degree of care in the use, handling, and storage of Hazardous Substances and shall take all practicable measures to minimize the quantity and toxicity of Hazardous Substances used, handled, or stored on the Premises. Upon the expiration or termination of this Lease, Tenant shall remove all Hazardous Substances from the Premises. The term Environmental Law shall mean any federal, state or local statute, regulation, or ordinance or any judicial or other governmental order pertaining to the protection of health, safety or the environment. The term Hazardous Substance shall mean any hazardous, toxic, infectious or radioactive substance, waste and material as defined or listed by any Environmental Law and shall include, without limitation, petroleum oil and its fractions. Tenant shall maintain for the duration of the lease term "Material Safety Data Sheets" for all hazardous substances used or stored on the premises

in a place known and accessible to the Landlord and the Airport Managers.

- 3.2.5 Use by Tenant of heaters, air conditioners, freezers or air compressors for power tools are prohibited. FAA certified engine heaters that are installed on the aircraft engine/engines, or approved for external use on the aircraft engine/engines, in compliance with FAA regulations are approved for use.
- 3.2.6 Only designated aircraft may be stored in the Hangar.
- 3.2.7 No maintenance is allowed unless approved by the Landlord (see Columbia Gorge Regional Airport Rules and Regulations).
- 3.2.8 Aircraft washing must be accomplished only in designated area established by the Airport Manager.
- 3.2.9 All fueling must be provided by the authorized/designated "Aviation Fuel Provider" established by the Airport Manager.
- 3.3.0 Tenant agrees to observe and obey all policies, rules, and regulations promulgated and enforced by Landlord and any other appropriate authority having jurisdiction over the Airport and the premises described in this lease, during the term of this lease. Tenant, its employees and agents, shall faithfully observe and apply the rules and regulations. Rules and regulations are defined, but not limited to, the "Columbia Gorge Regional Airport Rules and Regulations and Minimum Standards for Commercial Aeronautical Activities", approved as of _____, 20____, a copy of which is on file at the Airport Manager's Office.

Section 4. Repairs, Maintenance and Inspection.

- 4.1 Except for repairs necessitated by the negligence of Tenant, its agents, employees, and/or invitees, Landlord shall maintain the Premises in a condition which is equivalent or better than the condition which existed at the time of execution of this agreement. Tenant agrees to keep the premises in a neat, clean and proper condition at all times. Any repair to the premises, including repairs to major structural parts, which is required as a result of an act of the Tenant, its agents, employees or contractors, or any business visitor or invitee, shall be the responsibility of the Tenant.
- 4.2 Landlord, its agents, or local government authorities shall have the right to inspect the Premises for any reasonable purpose at any time. If the inspection reveals a condition or conditions which Tenant has the responsibility to repair, Tenant agrees to take immediate action to make such repairs upon written notice being given by Landlord. If the inspection determines that the Landlord is responsible for the repairs, the Landlord shall take immediate action to correct them. For repairs not discovered during an inspection by Landlord; if the Landlord is notified by Tenant in writing of the necessity of maintenance or repairs, the duty of Landlord to make such repairs shall not mature until a reasonable time after Landlord has been in receipt such notice.

Section 5. Alterations. Tenant shall make no improvements or alterations on the Premises of any kind without written permission from the Landlord.

Section 6. Insurance.

- 6.1 **Insurance Required.** Landlord shall keep the Premises insured at Landlord's expense against fire and other risks covered by a standard comprehensive fire and liability insurance policy. Tenant shall carry similar insurance insuring the property of Tenant on the Premises against such risks.

- 6.2 **Liability Insurance.** Tenant shall carry the following insurance at Tenant's cost: comprehensive liability insurance with a responsible company with limits of not less than One Million Dollars (\$ 1,000,000.00) on a combined single limit basis and fire insurance with an extended coverage endorsement covering Tenant improvements, Tenant's personal property and the leased premises. Liability insurance shall cover all risks arising directly or indirectly out of Tenant's activities on any condition of the Premises whether or not related to an occurrence caused or contributed to by Landlord's negligence. Such insurance shall protect Tenant against the claims of Landlord on account of the obligations assumed by Tenant under the paragraph entitled "Indemnification," and shall name Landlord as an additional insured. Certificates evidencing such insurance and bearing endorsements requiring ten (10) days written notice to Landlord prior to any change or cancellation shall be furnished to Landlord prior to Tenant's occupancy of the property. The insurance shall be on a form and from a company reasonably acceptable to Landlord. Failure of Tenant to maintain an approved insurance policy shall constitute a default under this lease agreement.
- 6.3 **Waiver of Subrogation.** Neither party shall be liable to the other (or to the other's successors or assigns) for any loss or damage caused by fire or other casualty and risks enumerated in the insurance policy with an extended coverage endorsement, and in the event of insured loss, neither party's insurance company shall have a subrogated claim against the other. This waiver shall be valid only if the insurance policy in question expressly permits waiver of subrogation or if the insurance company agrees in writing that such a waiver will not affect coverage under the policies. Each party agrees to use best efforts to obtain such an agreement from its insurer if the policy does not expressly permit a waiver of subrogation.

Section 7. Taxes; Utilities.

7.1 Taxes. Tenant shall pay as due all taxes, personal and property, assessments, license fees, and other charges which are levied and assessed upon Tenant's interests in the premises, by any legally authorized governmental authority. Tenant is responsible for real property taxes imposed by Klickitat County upon the premises which will be collected monthly/annually as computed by the Uniform Rate Structure Identified in Section 2, paragraph 2.2.

7.2 Utility Charges. Landlord shall pay when due all charges for services and utilities incurred in connection with the use, occupancy, operation and maintenance of the Premises, including, but not limited to, water, gas, electricity, sewage disposal and power.

Section 8. Indemnification. Tenant shall indemnify, defend, save, protect, and hold harmless the Landlord, its officers, agents and employees from any claim, loss or liability, including reasonable attorneys' fees, arising out of or related to any activity of Tenant on the Premises or any condition of the Premises in the possession or under the control of Tenant. Landlord shall have no liability to Tenant for any injury to Tenant for any injury, loss, or damage caused by third parties or by any condition of the Premises, except to the extent caused by Landlord's negligence or breach of duty under this Lease.

Section 9. Assignment and Subletting. Tenant shall not assign, sell or transfer its interest in this agreement or sublet any part of the premises without having first obtained the express written consent of the Landlord, which consent shall not be unreasonably withheld by Landlord; provided that with the Airport Manager's approval, Tenant may sub-lease the premises for aircraft storage use. In the event Tenant shall attempt to assign, sell or transfer its interest in this lease agreement or any part hereof, without having first obtained the express written consent of Landlord, this agreement shall be null and void and Landlord shall have an immediate right of entry.

Section 10. Default. The following shall be events of default:

- 10.1 Default in Rent. Failure of Tenant to pay any rent or other charge within ten (10) days after it is due.
- 10.2 Default in Other Covenants. Failure of Tenant to comply with any term or condition or fulfill any obligation of the Lease (other than the payment of rent or other charges) within twenty (20) days after written notice by Landlord.

Section 11. Remedies on Default.

- 11.1 Termination. In the event of a default the Lease may be terminated at the option of Landlord by written notice to Tenant. Whether or not the Lease is terminated by the election of Landlord or otherwise, Landlord shall be entitled to recover damages from Tenant for the default. Landlord may reenter, take possession of the Premises, and remove any persons or property by legal action or by self-help with the use of reasonable force and without liability for damages and without having accepted a surrender.
- 11.2 Reletting. Following reentry or abandonment, Landlord may relet the Premises and in that connection may make any suitable alterations or refurbish the Premises, or both. Landlord may relet the Premises for a term longer or shorter than the term of this Lease, upon any reasonable terms and conditions, including the granting of some rent-free occupancy or other rent concessions.
- 11.3 Damages. In the event of termination or retaking of possession following default, Landlord shall be entitled to recover immediately, without waiting until the due date, of any future rent or until the date fixed for expiration of the Lease term, the following damages:

11.3.1 The loss of rental from the date of default until a new tenant is, or

with the exercise of reasonable efforts could have been, secured and paying out.

11.3.2 The reasonable costs of reentry and reletting including without limitation, the cost of any cleanup, refurbishing, removal of Tenant's property and fixtures, remodeling or repairs costs, attorney's fees, court costs, recording costs, broker commission and advertising costs.

11.4 Late Fee. In the event Landlord fails to receive rent, or any other payment required by this Lease, within five (5) days after the due date, Tenant shall pay to Landlord a late charge of five percent (5%) of the payment amount. Tenant shall pay the late charge upon demand by Landlord. Landlord may levy and collect a late charge in addition to all other remedies available for Tenant's default, and collection of a late charge shall not waive the breach caused by the late payment.

11.5 Remedies Cumulative. The foregoing remedies shall be in addition to and shall not exclude any other remedy available to Landlord under applicable law.

Section 12. Surrender. Upon termination of this Lease, Tenant shall deliver all keys to Landlord and surrender the Premises in first-class condition, and broom clean, subject only to reasonable wear and tear from ordinary use.

Section 13. Renewal Option. If the Lease is not in default at the time each option is exercised or at the time the renewal term is to commence, Tenant shall have the option to renew this Lease as follows:

13.1 The renewal term shall commence on the day following expiration of the preceding term.

13.2 The option may be exercised by written notice to Landlord given not less than ninety (90) days prior to the last day of the expiring term. The giving of such notice shall be sufficient to make the Lease binding for the renewal term without further act of the parties.

13.3 The terms and conditions of the Lease for each renewal term shall be identical with the original term except for rent. Rent for a renewal term shall be most recent rental rate in effect at the time of the renewal.

Section 14. Miscellaneous.

14.1 Nonwaiver. Waiver by either party of strict performance of any provision of this Lease shall not be a waiver of or prejudice the party's right to require strict performance of the same provision in the future or of any other provision.

14.2 Attorney Fees. If suit or action is instituted in connection with any controversy arising out of this Lease, the prevailing party shall be entitled to recover in addition to costs such sum as the court may adjudge reasonable as attorney fees at trial, on petition for review, and on appeal.

14.3 Notices. All notices or other communications required or permitted under this Agreement shall be in writing and shall be (a) personally delivered (including by means of professional messenger service), which notices and communications shall be deemed received on receipt at the office of the addressee; (b) sent by registered or certified mail, postage prepaid, return receipt requested, which notices and communications shall be deemed received three (3) days after deposit in the United States mail; or, (c) sent by fax, which notices and communications shall be deemed received on the delivering party's receipt of a transmission confirmation.

- 14.4 Interest on Rent and Other Charges. Any rent or other payments required of Tenant by this Lease shall, if not paid within ten (10) days after it is due, bear interest at the rate of twelve percent (12%) per annum (but not in any event at a rate greater than the maximum rate of interest permitted by law) from the due date until paid. This is in addition to the 5% "late fee."
- 14.5 Time of Essence. Time is of the essence of the performance of each of Tenant's obligations under this lease.
- 14.6 Damage or Destruction by fire or other casualty. In the event the building of Landlord in which Tenant occupies space under this lease shall be partially or wholly damaged by fire or other casualty, Landlord shall have the option to either rebuild the structure, or terminate this lease agreement. In the event Landlord elects to proceed with rebuilding the structure, and it is necessary for Tenant to temporarily vacate the lease premises while the repair work is being completed, the monthly rental payment due from Tenant shall be abated during the period of time which Tenant is unable to occupy the premises while the repairs are being completed. In the event the Landlord elects to terminate the lease agreement, Landlord shall provide notice of the termination to Tenant within fourteen (14) days of the date the casualty occurred.
- 14.7 Aircraft Use and Development. Landlord reserves the right to further develop or improve the landing area of the Airport as it sees fit, regardless of the desires of Tenant and without interference. Landlord reserves the right, but shall not be obligated to Tenant to maintain and keep in repair the landing area of the Airport and all publicly-owned facilities of the Airport, together with the right to direct and control all activities of Tenant in this regard. This lease shall be subordinate to the provisions and requirements of any existing or future agreement between the Landlord and the United States, relative to

the development, operation, and maintenance of the Airport. There is hereby reserved to the Landlord, and its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the leased premises. This public right of flight shall include the right to cause in said airspace any noise inherent in the operation of any aircraft used for navigation or flight through said airspace or landing at, taking off from, or operation on the Airport. Any physical taking of the leased premises for use by the Landlord, other than as provided herein, shall be considered a taking pursuant to the governmental power of eminent domain.

Tenant agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulation in the event future construction of a building is planned for the leased premises, or in the event of any planned modification or alteration of any present or future building or structure located upon the leased premises. Tenant agrees that it will not erect or permit the erection of any structure or object, nor permit the growth of any tree on the lease premises to exceed the established height contours.

In the event of a breach of the foregoing covenants, Landlord reserves the right to enter upon the lease premises and remove the offending structure or object and cut the offending tree, all of which shall be at the expense of Tenant. Tenant agrees it will not make use of the leased premises in any manner which might interfere with the landing and taking off of aircraft from the Airport, or otherwise constitute a hazard. In the event of a breach of the foregoing covenant, Landlord reserves the right to enter on the leased premises and cause the abatement of such interference at the Tenant's expense. It is understood and agreed that nothing contained herein shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1349a). This lease and all provisions hereof shall be subject to whatever right of the United States Government now has or in the future may have or

acquire, affecting the control, operation, regulation, and taking over of the Airport by the United States during the time of war or national emergency.

- 14.8 Removal of fixtures, furniture, and equipment. Upon termination of this agreement or during the term of this agreement, Tenant shall have the right to remove all equipment, furniture and fixtures owned by the Tenant, which have not become attached to the leased premises. In the event Tenant removes any said equipment, furniture or fixtures which Tenant is empowered and entitled to remove and by such removal causes damage or injury to the leased premises, Tenant agrees to repair any damages or injury immediately, at Tenant's expense, and to restore the premises to as good as state or condition as the premises were at the beginning of the date of this agreement.
- 14.9 Mechanic's and Materialman's Liens. Neither Landlord or Tenant shall permit any mechanic's, materialman's, or other lien against the premises or the property of which the premises forms a part in connection with any labor, materials, or services furnished or claimed to have been furnished. If any such lien shall be filed against the premises or property of which the premises forms a part, the party charged with causing the lien will cause the same to be discharged; provided, however, that either party may contest any such lien, so long as the enforcement thereof is stayed.
- 14.10 Savings Clause. In the event that any part of this agreement or application thereof shall be determined to be invalid by a court of competent jurisdiction, such findings shall have no effect on the remaining portions of this lease.
- 14.11 Written Agreement. Neither party has relied upon any promise or representation not contained in this lease. All previous conversations, negotiations, and understandings are of no further force or effect. This lease agreement may be modified only in writing signed by both parties. The

headings of the paragraphs are for convenience only and are not part of this lease, nor shall they be considered in construing the intent of this lease agreement.

Section 15. Non-Discrimination. The Tenant for itself, its heirs, successors and assigns, as part of the consideration hereof, does hereby covenant and agree that in the event facilities are constructed, maintained, or otherwise operated on the leased premises for a purpose for which a United States Department of Transportation (DOT) program or activity is extended or for another purpose involving the provision of similar services or benefits, the Tenant shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, DOT, Sub-title A, Office of the Secretary, Part 21, Non-discrimination in Federally Assisted Programs of the Department of Transportation, Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

The Tenant, for itself, its heirs, successors and assigns, as part of the consideration hereof, does covenant and agree that : 1) no person on the grounds of race, color, sex, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to, discrimination in the use of said facilities, 2) that in the construction of any improvements on, over, or under the leased premises and the furnishing of services thereon, no person on the grounds of race, color, sex or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, and 3) that the Tenant shall use the lease premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, DOT, Sub-Title A, Office of the Secretary, Part 21, Non-discrimination in Federally Assisted Programs of the Department of Transportation, Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

In the event of a breach of any of the above non-discrimination covenants, Landlord shall have the right to terminate this lease agreement and re-enter and repossess said premises and the facilities thereon, and hold the same as if said lease agreement had never been

made. This provision does not become effective until the procedures of 49 CFR Part 21 are followed and completed, including expiration of appeal rights.

Section 16. Aircraft Description. The following is a brief description of the Tenants' aircraft to be stored in the Hangar:

Manufacturer, Make and Model _____
Aircraft Registration Number _____
Dimensions - Height _____, Length _____, Wing Span _____
Aircraft weight _____

Section 17. Applicable Law. This Lease Agreement shall be governed by the laws of the States of Oregon and Washington

Section 18. Payments. Please make payment checks to the City of The Dalles and mail lease payments to the below:

Finance Director
City of The Dalles
313 Court Street
The Dalles, Oregon 97058

Section 19. Notices and Communications. All notices and communications may be served by enclosing the notice in a sealed envelope and deposited in the United States Post Office as certified mail and received by the authorized party below:

Landlord: Airport Manager
Airport Terminal Building
Upstairs Office

45 Airport Way
Dallesport, WA 98617

Tenant: _____

EXECUTED this _____ day of _____ 20_____.

LANDLORD:

TENANT:

CITY OF THE DALLES, a municipal
corporation of the State of Oregon

KLICKITAT COUNTY, a municipal
corporation of the State of Washington

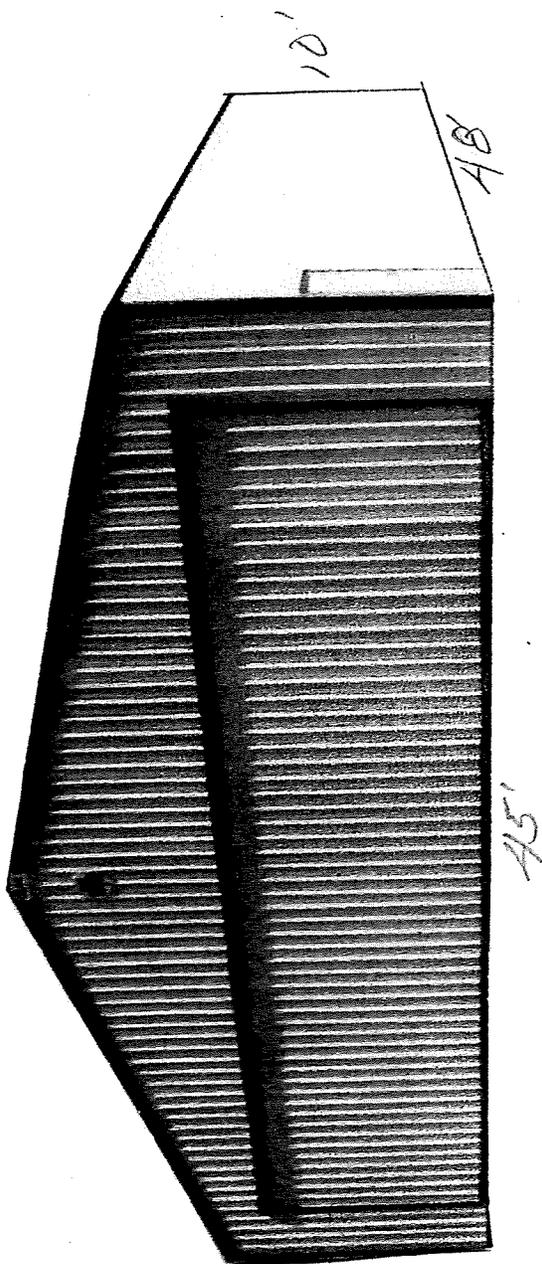
By: _____

By: _____

Airport Board Chairman

By: _____

Airport Manager



*Proposed New Hangar
 The Dalles Airport Dallesport WA
 Owner Gary England
 509-481-0727*

Original



AGENDA STAFF REPORT

AGENDA LOCATION: Action Item #13-D

MEETING DATE: September 11, 2017

TO: Honorable Mayor and City Council

FROM: Gene Parker, City Attorney

ISSUE: Disposition of surplus real properties adjacent to 23rd and Wright Streets

BACKGROUND: At the July 10, 2017 Council meeting, the City Council adopted Resolution No. 17-020 declaring several parcels of real property as surplus property, including two vacant lots located near the intersection of 23rd and Wright Streets. During the public hearing on the proposed resolution, testimony was presented that there may be natural springs located upon these parcels which could affect the ability of the parcels to be offered for sale for residential development. There was also a suggestion made to the Council to consider conveying the parcels to neighborhood residents for the development of a public park. The Council requested staff to do some research related to the issue of the natural springs and present the results of that research to the Council at a future meeting.

According to information provided by the Public Works Director, several years ago prior to 2010, the Public Works Department excavated holes several feet deep near the center of each of the two lots and left those holes open for approximately one year. The holes did not demonstrate any accumulation of water, and it was the opinion of City staff that the lots were capable of residential development.

In 2014, during the process of investigating what commonly became referred to as the “Mystery Pipe”, the lot at the corner of 23rd and Wright Streets was excavated approximately 10 feet deep near the road, and no ground water was found at that time.

In August 2017, following the discussion at the July 10 Council meeting, the two lots were excavated again. Two holes, approximately 5 feet deep, were excavated on each lot next to the neighboring property lines. The holes were left open for one week and then checked for signs of ground water. On each property, the hole farthest from the center of

Tax Lot 3200 where the City groundwater collection system is located (which is the area where all the cat-tails are growing) was dry. On each lot, the hole nearest the center lot accumulated some groundwater. The Public Works Director indicated this situation is similar to situations found on much of the west side of the City, and can be mitigated by a developer given the close proximity of the lots to the groundwater collection system. This type of mitigation has been done by one of the neighbors residing in the area adjacent to the two vacant parcels.

Staff recommends that the Council authorize the disposition of the two parcels in accordance with the process set forth in Resolution No. 16-028. This will require that the Council establish a minimum sales price for the lots, and an advertisement will be published seeking written bids for the purchase of the lots. The advertisement will disclose that groundwater may be present upon the lots. If no acceptable bids are received, the Council can decide to list the properties for sale with a local real estate agent or real estate firm. A request for proposals from local real estate agents and firms for marketing services for surplus property will be advertised on August 23, 2017, with the proposals to be opened on September 8. The request for proposals indicated that the two lots could be listed with a real estate agent or firm if no acceptable bids are received for the lots.

BUDGET IMPLICATIONS: Sale of the two properties will generate revenue for the City.

COUNCIL ALTERNATIVES:

1. **Staff recommendation:** *Move to authorize the disposition of the two vacant parcels at the intersection of 23rd and Wright Streets in accordance with Resolution No. 16-028, and establish a minimum sales price for both lots.*
2. Move to direct staff to research the possibility of conveying the properties to neighborhood residents for development of a neighborhood park.