

AGENDA

REGULAR CITY COUNCIL MEETING

July 10, 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. Main Street Program Report – Jeremiah Paulson, Executive Director

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
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.

A. Approval of June 12, 2017 Regular City Council Meeting Minutes

**CITY OF THE DALLES**

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

B. Approval of June 26, 2017 Regular City Council Meeting Minutes

C. Declaring Miscellaneous Technology Items as Surplus Property

11. PUBLIC HEARINGS

A. 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

B. 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

12. EXECUTIVE SESSION

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

A. Reconvene to Open Session

B. Decision

13. ADJOURNMENT

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This meeting conducted in a handicap accessible room.

Prepared by/  
Izetta Grossman  
City Clerk



## AGENDA STAFF REPORT

**AGENDA LOCATION:** Item #10 A-C

**MEETING DATE:** July 10, 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 June 12, 2017 Regular City Council Meeting Minutes.

**BUDGET IMPLICATIONS:** None.

**SYNOPSIS:** The minutes of the June 12, 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 June 12, 2017 City Council meeting.

- B. **ITEM:** Approval of the June 26, 2017 Regular City Council Meeting Minutes.

**BUDGET IMPLICATIONS:** None

**SYNOPSIS:** The minutes of the June 26, 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 June 26, 2017 City Council meeting.

- C. **ITEM:** Approval of Declaring Various Technology Items as Surplus

Property and the Donation of said Items to S.T.R.U.T

**BUDGET IMPLICATIONS:** None

**SYNOPSIS:** The attached list of items has reached the end of useful life.

**RECOMMENDATION:** That City Council review and approve the surplus of the technology items and donation of said items to S.T.R.U.T

MINUTES  
REGULAR COUNCIL MEETING  
OF  
June 12, 2017  
5:30 p.m.

THE DALLES CITY HALL  
313 COURT STREET  
THE DALLES, OREGON

**PRESIDING:** Mayor Pro-Tem Tim McGlothlin

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

**COUNCIL ABSENT:** Mayor Lawrence

**STAFF PRESENT:** City Manager Julie Krueger, City Attorney Gene Parker, City Clerk Pro-Tem Paula Webb, Planning Director Steve Harris, Police Chief Patrick Ashmore, Human Resources Director Daniel Hunter, City Engineer Dale McCabe, Assistant to the City Manager Matthew Klebes

**CALL TO ORDER**

The meeting was called to order by Mayor Pro-Tem Tim McGlothlin at 5:30 p.m.

**PLEDGE OF ALLEGIANCE**

Mayor Pro-Tem McGlothlin invited the audience to join in the Pledge of Allegiance.

**ROLL CALL**

Roll call was conducted by City Clerk Pro-Tem Webb, all Councilors present.

**APPROVAL OF AGENDA**

Mayor Pro Tem McGlothlin said there was a Supplemental Agenda. He said to add Consent Agenda Item D. Declaring Police Department Firearms as Surplus; remove Action Item #11-C Approval of Enterprise Zone Abatement. It was moved by Elliott and seconded by Long-Curtiss

to approve the agenda as amended. The motion carried unanimously.

### **AUDIENCE PARTICIPATION**

Mike Courtney, 2437 E. 18<sup>th</sup> Street, former owner of Courtney Insurance Agency Inc., currently employed by ISU Stratton Insurance, 212 E. 4<sup>th</sup> Street, The Dalles. Courtney stated he has not retired as erroneously stated by City Attorney Parker.

Alan Busacca, 16 Windy Bluff Rd, Bingen, Washington. Busacca spoke in strong support of Resolution 17-018, A Resolution Expressing the City of The Dalles' Support for Gorge Towns to Trails. Busacca is a business owner in Wasco County, co-owning Volcano Ridge Vineyard. He stated the Gorge Towns to Trails is one of the finest ideas he has seen in 30 years of business.

### **CITY MANAGER REPORT**

City Manager Krueger provided a summary on the Public Works Gap Analysis (attached).

Krueger said she and Human Resources Director Hunter met with the VEBA representative. She said to encourage employee participation in the Alternative Medical Plan with a higher deductible, they proposed that if an employee signed up for the plan half of the saving to the City would go into the employee's VEBA, the other half the City would realize. It was the consensus of the Council to include the proposal during open enrollment.

Krueger stated it was unclear if the entire Council supported moving forward with the application for the Hostetler Street railroad crossing. She asked if Council supported staff time working toward the crossing.

Long-Curtiss asked if the City had concerns about supporting the crossing. Krueger replied the City does not have concerns; the County is very supportive as well.

Elliott asked if access was possible from River Road. Krueger replied that route would cross private property, part of which is a superfund site.

Brown stated his concern that the crossing would subject the City to liability due to numerous traffic accidents at that location.

Krueger stated she would address concerns at their next meeting.

### **CITY ATTORNEY REPORT**

City Attorney Parker has been working with Public Works on the final easement for the Walmart property. Once the easement has been signed, the project can go out for bid.

## MINUTES

Regular City Council Meeting

June 12, 2017

Page 3

### **CITY COUNCIL REPORTS**

Long-Curtiss attended the Blue Zones Focus Group, Government Affairs, the Original Wasco County Courthouse annual meeting, Executive Session. On Memorial Day she attended an observance at the Kelly Viewpoint. Long-Curtiss also met with Carrie Pipinich of Mid-Columbia Economic Development to discuss QLife and Broadband options.

Miller also attended the Memorial Day observance for Veterans.

McGlothlin attended the Airport meeting and groundbreaking ceremony for the new Life Flight hangar. He reported the Fly In is June 17 from 8 a.m. to 4 p.m.

#### **Resolution No. 17-018 Support of Gorge Towns to Trails**

City Manager Krueger said there was no report; a presentation was given at an earlier meeting. Renee Tkach, Project Manager, Gorge Towns to Trails and Friends of the Columbia Gorge, was available for questions.

Long-Curtiss requested an amendment to Resolution No. 17-018 to promote all of The Dalles rather than downtown alone:

“WHEREAS, Gorge Towns to Trails will promote tourism and economic development ~~in Historic Downtown~~ **throughout** The Dalles by establishing the city of The Dalles as one of the key urban destinations along the Towns to Trails system; and”

Tkach agreed to the amendment.

It was moved by Long-Curtiss and seconded by Elliott to adopt Resolution No. 17-018 Support of Gorge Towns to Trails as amended. The motion carried unanimously.

### **CONSENT AGENDA**

Long-Curtiss requested removal of the May 8, 2017 Special City Council Meeting Minutes from the Consent Agenda for edits.

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

Items approved by Consent Agenda were: 1) Approval of May 22, 2017 Regular City Council Meeting Minutes; 2) Approval of Amendment No. 10 to CH2M, previously Operations Management International (OMI), Agreement to Operate the Wastewater Treatment Plant for

MINUTES  
Regular City Council Meeting  
June 12, 2017  
Page 4

Fiscal Year 2017-18; 3) Declare Police Department Firearms as Surplus.

### **CONTRACT REVIEW BOARD ACTIONS**

#### **Award Contract No. 2017-003 Sorosis and Columbia View Reservoirs Seismic Upgrade and Recoating Project**

City Engineer Dale McCabe reviewed the staff report.

Elliott inquired about lead testing. McCabe replied very miniscule amounts were found; mitigation was unnecessary.

McGlothlin asked for the life expectancy of the project. McCabe replied generally around 20 years. He said the reservoirs were well beyond that.

It was moved by Elliott and seconded by Miller to authorize the City Manager to enter into contract with HCI Industrial & Marine Coatings, Inc., in an amount not to exceed \$1,532,305.00. The motion carried unanimously.

### **ACTION ITEMS**

#### **Acceptance of General Liability and Worker's Compensation**

City Attorney Parker introduced Colleen Clark and Mike Lupke who reviewed the renewals.

Lupke noted a very favorable proposal for Worker's Comp going forward. Based on excellent management of the Worker's Comp program over past years, a tier change recommendation was made to SAIF Corporation. This tier change resulted in a premium savings of approximately 18 percent. Total premium savings for the renewal was 27 percent from last year.

It was moved by Miller and seconded by Elliott to approve the renewal of the City's insurance coverage for fiscal year 2017-2018 as presented by the City's insurance agents of record. The motion passed unanimously.

#### **Adopt General Ordinance No. 17-1355 Concerning Storage of Vehicles on Streets and Amending Regulations Concerning Bicycles**

City Attorney Parker reviewed the staff report.

Elliott inquired about the \$200 value placed on bicycles. Police Chief Ashmore replied it was an arbitrary value placed on bicycles that remained able to function. Those bicycles would remain with the Police Department in hopes they would be claimed by the owner.

McGlothlin asked about the return rate on bicycles that were registered. Ashmore replied in his ten months with the department, none had been reclaimed.

City Clerk Pro Tem Webb read General Ordinance No. 17-1355 by title only.

It was moved by Long-Curtiss and seconded by Brown to adopt General Ordinance No. 17-1355 by title only. The motion carried unanimously.

Long-Curtiss returned to the topic of the May 8 Minutes. Corrections include the correct spelling of Renee Tkach's last name and her question on page 5, paragraph 9:

Long-Curtiss asked why this wasn't brought up sooner **since the Mayor was on the Budget Committee and didn't mention it at that time.** She said the Budget Committee had approved the City Budget.

Also corrected was Long-Curtiss' statement on page 6, paragraph 5:

Long-Curtiss said the Chamber ~~budget was not~~ **is not receiving** a large percentage of the total transient room tax revenues **that they are responsible for bringing in.**

Elliott moved and Miller seconded the minutes as amended. The motion passed unanimously.

**ADJOURNMENT**

Being no further business, the meeting adjourned at 6:13 p.m.

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Submitted by/  
Paula Webb  
City Clerk Pro-Tem

SIGNED: \_\_\_\_\_  
Stephen E. Lawrence, Mayor

ATTEST: \_\_\_\_\_  
Izetta Grossman, City Clerk

MINUTES  
Regular City Council Meeting  
June 26, 2017  
Page 1

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REGULAR COUNCIL MEETING  
OF  
June 26, 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, Tim 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 5:30 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.

MINUTES  
Regular City Council Meeting  
June 26, 2017  
Page 2

### **APPROVAL OF AGENDA**

Mayor Lawrence said Action Item 11-C Approval of QLife Budget for Fiscal Year 2017-18 was added to the agenda. It was moved by Elliott and seconded by Miller to approve the agenda as amended. The motion carried unanimously.

### **PRESENTATIONS/PROCLAMATIONS**

#### **Mercury Development regarding Cascade Square Façade Project – David Zimel & Brian Shahum**

Mr. Shahum and Mr. Zimel presented a PowerPoint overview of the company and the project. They said they were investing over \$4 million in the project. Mr. Zimel said it was overdue for renovation. He said they were using local contractors whenever possible.

In response to a question Mr. Zimel said the trees were removed because they were causing issues with the sidewalks and parking lot. He said that new trees would be planted.

Mr. Shahum said the Grand Opening Celebration would be September 16 from 11-3 pm, with ribbon cutting, food, beer garden and fun.

### **AUDIENCE PARTICIPATION**

Nolan Hare, Fort Dalles Fourth Committee gave an update on the celebration coming up on Saturday. He said there would be a Rocket Run, Breakfast at the Park, Yoga, Parade, Family Fun Zone, Concert and Fireworks. He said they were featuring all local craft beverages this year.

Hare thanked everyone for their support.

He said they had started the planning for the 5<sup>th</sup> Annual Fort Dalles Fourth next year.

### **CITY MANAGER REPORT**

City Manager Julie Krueger said the chip seal project had been revised. She said the Dry Hollow portion of the project was rescheduled to avoid issues with cherry harvest.

Krueger asked Public Works Director Dave Anderson to make an announcement.

Anderson said he had received word from the Department of Environmental Quality that the City's \$2 million loan application was successful, and the City qualified for \$500,000 becoming a grant, if all the rules are followed. He said the loan was half the cost of a bond. He said the plan was to pay off the loan early.

## MINUTES

Regular City Council Meeting

June 26, 2017

Page 3

Krueger congratulated Anderson on work on the project.

### **CITY ATTORNEY REPORT**

City Attorney Gene Parker said he was working on a resolution for a public hearing to declare four properties as surplus.

Parker said he had received word that the first check from the 3% retail sales of marijuana would be arriving next week. He said the check was for the first quarter.

Parker said he was taking vacation the weeks of July 10 and July 24, to reduce his vacation time on the books.

### **CITY COUNCIL REPORTS**

Councilor Long-Curtiss reported on attending:

- Library Teen Space Grand Opening
- Urban Renewal Vision work session
- Meeting with Sunshine Mill to find a win – win on their loan
- Blue Zone Presentation
- QLife Meeting
- Community Outreach Team Meeting
- Airport Fly In

She said she would be the City's representative on the Community Outreach Team for the September DC trip. She said she had met the National League of Cities Director on the last DC trip and he had come out to visit The Dalles. She said he was impressed with our city.

Councilor McGlothlin reported on attending:

- Blue Zone presentation
- Airport Fly In

Councilor Elliott reported on attending:

- Urban Renewal Vision work session
- QLife meeting – he said there had been no final decision on the future of QLife

Councilor Miller reported on attending:

- Hazardous Waste meeting
- Library Teen Space Grand Opening

## MINUTES

Regular City Council Meeting

June 26, 2017

Page 4

- Sister City Meeting
- Urban Renewal Meeting
- Airport Fly In

Mayor Lawrence said he would be attending the Mid Columbia Council of Governments (MCCOG) meeting on Tuesday. He said they would be receiving the assessment for the future of MCCOG.

Mayor Lawrence read into the record a letter from Randy Haines (attached) requesting the \$5,000 that had been earmarked for the concerts. Haines' letter said he would be using 70% of the money for marketing.

It was moved by McGlothlin and seconded by Miller to grant \$5,000 to Randy Haines for the promotion of the weekend of events around the Neon Cruise.

There was some discussion about where these funds were budgeted. City Manager Krueger said she had put the funds as a place holder, outside of the small grants line item.

It was the consensus of the Council to review the small grants policy and to make it clear these were the only funds available in the future.

The motion carried unanimously.

### **CONTRACT REVIEW BOARD**

#### Authorization to Purchase Asphalt to be Used for Street Maintenance Projects July 1 Through the End of the Construction Season, about November 30, 2017

Public Works Director Anderson reviewed the staff report.

It was moved by Elliott and seconded by Brown to authorize the purchase of hot-mix asphalt as needed for street maintenance from the lowest-cost supplier available at the time of the projects in an amount not to exceed \$394,822. The motion carried unanimously.

#### Authorization to Purchase Emulsions and Chip Rock for 2016-17 Chip Seal Projects

Public Works Director Anderson reviewed the staff report.

Anderson said the list had been updated to accommodate the cherry harvest. He said 10<sup>th</sup> and Dry Hollow Streets would be done in August. He said funds for the project would roll into the

## MINUTES

Regular City Council Meeting

June 26, 2017

Page 5

next fiscal year.

It was moved by McGlothlin and seconded by Brown to authorize the purchase of emulsion, fog seal oil, chip rock and County labor and equipment in an amount estimated to be \$95,043.20. The motion carried unanimously.

### **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.

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

After some discussion, it was the consensus of the Council to have staff bring this issue back with more information on the permit requirements from Wasco County, the square footage of the building, and future impact.

#### Adoption of Resolution No. 17-019 A Resolution Authorizing Transfer of Funds Between Departments of the General Fund of the City of The Dalles Budget, Making Appropriations and Authorizing Expenditures for the Fiscal Year Ending June 30, 2017

Finance Director Angie Wilson reviewed the staff report. Wilson noted that there was a scrivener's error in the Resolution in the packet. She said the affected fund was the General Fund not the State Office Building.

It was moved by Elliott and seconded by Brown to Adopt Resolution No. 17-019 A Resolution Authorizing Transfer of Funds Between Departments of the General Fund of the City of The Dalles Budget, Making Appropriations and Authorizing Expenditures for the Fiscal Year Ending June 30, 2017

#### Approval of Fiscal Year 2017-18 QualityLife Budget

Wasco County Administrator Tyler Stone, and Wasco County Finance Director Mike Middleton, representing QualityLife Intergovernmental Agency, reviewed the staff report.

Middleton said the QLife Board had approved the budget. He said it was coming before Council

MINUTES  
Regular City Council Meeting  
June 26, 2017  
Page 6

as a formality.

It was moved by Long-Curtiss and seconded by Elliott to accept the QualityLife Intergovernmental Agency (QLife) Budget for Fiscal Year 2017-18 as adopted by the QLife Board. The motion carried unanimously.

**DISCUSSION ITEMS**

Converting Meadow Outdoor Leases to Easement

City Attorney Gene Parker reviewed the staff report.

After some discussion, it was the consensus of the Council to continue with the current lease agreement.

**ADJOURNMENT**

Being no further business, the meeting adjourned at 7:10 p.m.

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Submitted by/  
Izetta Grossman  
City Clerk

SIGNED: \_\_\_\_\_  
Stephen E. Lawrence, Mayor

ATTEST: \_\_\_\_\_  
Izetta Grossman, City Clerk

Dear Council,

I met with Julie to discuss the \$5,000 event sponsorship in the budget for this summer.

I will be producing a free, 21 and over music event during the Neon Cruise Weekend this August. I had an idea to implement a Gorge wide marketing campaign to promote all of the Neon Cruise Weekend events this summer. I have met with Patrick Erickson (Cruise the Gorge chair), Steve Hudson Mid Columbia Car Club and Tim Urness (producer of the Dallesport Drags). All were excited about the opportunity. With your support, this will be the first time in our 24-year history. We will promote and market all of the weekend's events together.

My request is for the total amount. Approximately 70% of the \$5,000 will be dedicated solely to the marketing campaign listed in the outline. Upon request, a complete accounting recap will be available after the Neon Cruise Weekend.

Thank you for your consideration,

Sincerely,

Randy

Randy Haines  
Owner Neon Cruise Party  
541.993.3198

**Questions & Answers:**

**Will the City be included in the marketing campaign?**

Yes! Logo in some print marketing and "City of The Dalles invites you" in some branding materials.

**Why Market locally and not out of the area?** There's a lot of money within 50 miles of The Dalles. Unfortunately, a lot of people within 50 miles of The Dalles never set foot here. The Neon Cruise Weekend is a great opportunity for The Dalles to bring them here. Especially if we deliver the message to them with the marketing campaign. Out of market advertising is very expensive. Investment vs return doesn't pay for this type of weekend event. Not to mention summer entertainment competition in other major cities in Oregon and Washington.

**Does the Mid-Columbia Car Club / Dallesport Drags produce a marketing campaign for the Neon Cruise Weekend events?**

The Mid-Columbia Car Club's priority is registrations for their "Show in Shine". They do this by producing paid print ads in car magazines, inserting flyers in publications, personally handing out flyers at auto related events and other means of promotion throughout the year.

The Mid-Columbia Car Club doesn't produce marketing campaigns to solicit the general public for the purpose of getting them to attend the weekend events. The same can be said for The Dallesport Drags. I have produced extensive marketing over the years for the Neon Nights concerts.

For this summer's free, 21 and over party, I will produce a separate campaign to promote the Neon Cruise Party. This will be paid for out of my personal Neon Cruise Party marketing budget. This marketing will focus on the music event only.

**Why a 21 and show?** Bud Light is our largest financial contributor. In addition, we experience more logistic and insurance hurdles with an all age event when alcohol is sold. We also have a lot of class reunions every summer. In previous years, committees planned their reunions on the Neon Cruise Weekend due to the social opportunities in the evening. To this day we have friends and families who get together on this weekend. We also anticipate class reunions to continue the tradition of gathering on the Neon Cruise Weekend.

**Why not include Dufur Threshing Bee in the marketing?** It's important to leverage all the time (radio) and space (print) we can to promote the events in The Dalles.

**Why so late with the request?** It took time to work through the planning. After a lot of consideration and planning we will start promoting the Neon Cruise Weekend after the Fort Dalles Fourth activities.

**Can this event sustain itself in the future?**

Yes, with continued financial support from our sponsors.

**Will the Neon Cruise Weekend need support from the city in the future?**

Possibly. However, with this free show structure I see no need to increase the sponsorship amount.

IT Surplus June 2017

Computers

Source	Vendor	Model	Serial number
Police	Gateway	E4500D	sn 0036851126
Police	Gateway	E3610D	sn 0040546898
City Hall	TYCOADT	DVR	A-ADT9E-250
City Hall	Gateway	E4610S	sn 0039376865
Police	Gateway	E4610D	sn 0040546899
City Hall	Gateway	E4500D	sn 0036437465
City Hall	Gateway	E4610S	sn 0039376864
Public Works	Gateway	ATXSTF	sn 0020492437
Library	Gateway	MFATXPNT	sn 0034028079
Library	Dell	Optiplex 7	2BC3VH1
Library	Dell	Optiplex 7	1BC3VH1
Library	Dell	Optiplex 7	8DGB6J1
Library	Dell	Optiplex 7	CG05TH1
Library	Dell	Optiplex 7	9DGB6J1
Library	Dell	Optiplex 7	H9C3VH1
Library	Dell	Optiplex 7	2CHQQJ1
Police	Gateway	E4610D	sn 0040546901
Police	Gateway	E4610D	sn 0040546904
Police	Gateway	E4610D	sn 0040546903
Police	Gateway	E4610D	sn 0040546900
City Hall	Dell	Optiplex 7	79MB6J1
City Hall	Dell	Optiplex 7	4D1LQJ1
Library	Gateway	MFATXPNT	sn 0034391078
City Hall	Dell	Optiplex 7	1JCP3J1
City Hall	Dell	Optiplex 7	3R5WRH1
City Hall	Gateway	E4500D	36861283
Police	Gateway	960	32940794

Monitors

City Hall	Gateway	500CS	15013B058665
City Hall	Sceptre	D73PA	912EJ502B00608
City Hall	Samsung	TXJ1366	3WAK902140T
City Hall	Samsung	TXJ1366	3WAK901621J
City Hall	Zenith	TVBR1322	65300120251
City Hall	Gateway	FPD1530	MUL5022C0114869
City Hall	Gateway	FPD1530	MUL5016E0042382
City Hall	Dell	1901FP	CW-05Y232-71618-45C-BQPV
City Hall	Gateway	FPD1785	MWD66B0N00947
City Hall	Gateway	LE1936	MEZ7BD0C51736
City Hall	Gateway	LE1936	MEZ7BD0C50611
City Hall	Gateway	FPD1775W	MGM7470P03744
City Hall	Gateway	FPD1976W	MEZ7BDD0C51993
City Hall	Gateway	FPD1976W	MEZ7BDD0C51995
City Hall	Gateway	FPD1976W	MEZ7BDD0C51999
City Hall	Gateway	FPD1775W	MGM7470P07315

City Hall	Gateway	FPD1976W	MEZ7BDD0C52002
City Hall	Dell	1708FPB	CN-0G302H-74161-8BI30JL
City Hall	Dell	P170ST	CN-0VHPX3-74445-1CD-A15U
Library	Dell	FPD	CN-0G302H-74261-3HFL
Library	Dell	FPD	CN-09M62C-74261-04D-3005
Library	Dell	FPD	CN-0M1609-46633-427-1LES
Library	Dell	FPD	CN-09M62C-74261-040-20ES
Library	Dell	FPD	CN-04JNJ2-64180-03G-OJ0L
Library	Dell	FPD	CN-0GRNWX-72872-04N-OVMI
Library	Dell	FPD	CN-0G302H-74261-8BI-3HHL
Library	Dell	FPD	CN-04JN32-64180-03G-OHKL
Library	Dell	FPD	CN-04JNJ2-64180-03G-0GJL
Library	Dell	FPD	CN-0C552H-72872-88C-3FVS-A00
Library	Dell	FPD	CN-0GRNWX-72872-04N-12AI
Police	Gateway	FPD1775	MRU5650N02644
City Hall	Gateway	FPD1570	KUL5033D00024960

Imaging Devices

<u>Soucre</u>	<u>Vendor</u>	<u>Model</u>	<u>Serial Number</u>	<u>Category</u>
Police	HP	Officejet P	CN164VK1RG	Printer
City Hall	Canon	Canon 200	L11184A	Printer
City Hall	HP	Hp ljcp121	CNB1120976	Printer
City Hall	HP	Deskjet 12	25R130Z0	Printer
City Hall	Canon	F125935	VKB02928	Copier
City Hall	HP	LJ2550n	CNBGHB07203	Printer
City Hall	HP	C9850A	CN1821G036	SCANNER
City Hall	HP	PhotoSma	MY798Q11GZ	Printer
City Hall	HP	LJP1505	VND3B66276	Printer
City Hall	HP	OJ5510AIC	MY4RDG12HX	Printer
Library	BROTHER	HL-53	U62248-J0J744250	Printer
Library	HP	LJ1018	CNHC64V0VY	Printer
Public Works	HP	OJ6700	CN372B5H90	Printer
Public Works	BROTHER	MFC-495C	L162317G9F348292	Printer
City Hall	HP	DJ932C	MX03N1D03Z	Printer
City Hall	HP	OJ7000WF	MY9AA1100Z	Printer
City Hall	HP	LJM1522N	CNB9971874	Printer
City Hall	HP	LJP2055DN	CNB9971874	Printer

Other

Library	Norel	BMC200	`NMTMRAB04544	PBX
City Hall	IBM	APC / IBM	C0B776BC7C	UPS
City Hall	IBM	APC / IBM	C0B774B1E4	UPS



## AGENDA STAFF REPORT

### AGENDA LOCATION: Public Hearing Item #11-A

**MEETING DATE:** July 10, 2017

**TO:** Honorable Mayor and City Council

**FROM:** Steven Harris, AICP, Planning Director

**ISSUE:** General Ordinance 17-1356 An Ordinance Amending General Ordinance No. 98-1222, Concerning Zoning Ordinance Amendments # 93-16 And 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, And The Manner Of Operation Of Medical Marijuana Grow Sites

**BACKGROUND:** The City Council conducted a public hearing on May 22, 2017, to consider adoption of General Ordinance 17-1352 which would have established new separation requirements for recreational retail marijuana establishments, as well as reasonable restrictions pertaining to screening and odor control for personal marijuana grow sites. Following closure of the public hearing and Council discussion, the Council declined to adopt the ordinance.

Staff is requesting that the City Council reconsider its decision related to the proposed time, place and manner regulations of facilities for the processing, production and wholesaling of medical marijuana, establishing reasonable restrictions on the location of marijuana grow sites and the manner of operation of medical marijuana grow sites.

On March 16, 2017, the Planning Commission conducted a public hearing on the proposed amendments to the City's Land Use and Development Ordinance (LUDO) pertaining to the distance restrictions for recreational retail marijuana establishments, and provisions related to odor control and screening for personal marijuana grow sites. The Planning Commission adopted Resolution No. PC 562-17 which amended provisions relating to the distance restrictions and establishing provisions for the control of odor and screening for personal grow sites.

As recommended by the Planning Commission the text amendments would address concerns raised pertaining to the visibility of and odors emanating from homegrown recreational or personal medical marijuana grow sites in the RL (Residential Low Density), RM (Residential Medium Density) and RH (Residential High Density) zoning districts. Current State and City regulations allow for the cultivation of homegrown recreational and personal medical marijuana. Specifically, LUDO Sections 5.010.40, 5.020.040 and 5.040.040 would be amended to add the following prohibited uses in those zoning districts:

- Odor associated with marijuana allowed (would be prohibited) to “*emanate from the (subject) property....to any other property.*”
- Marijuana to be located in (a) place (would be prohibited) where “*the grow site may be seen by normal unaided vision from a public space or neighboring property.*”

Appropriate screening materials are defined in LUDO Section 6.010.050, while odor control complaints would be addressed pursuant to nuisance abatement procedures established in General Ordinance Chapter 5 Nuisances.

During Council discussion of General Ordinance 17-1352 on May 22<sup>nd</sup>, Councilor Brown commented on the need to secure personal grow sites in addition to properly screening the sites. Oregon Health Authority Administrative Rules address this concern with Administrative Rule 333-008-0640, which stipulates that a PRMG (person responsible for a marijuana grow site) must effectively prevent public access and obscure from public view all areas where marijuana is being produced. Additionally, Administrative Rule 333-08-740 establishes a civil penalty that does not exceed \$500 for each day that the violation occurs.

### **COUNCIL ALTERNATIVES:**

1. **Staff recommendation: *Move to adopt General Ordinance 17-1356 An Ordinance Amending General Ordinance No. 98-1222, Concerning Zoning Ordinance Amendments # 93-16 And 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, And The Manner Of Operation Of Medical Marijuana Grow Sites by title only***
2. Make amendments to the Ordinance and direct staff to bring the Ordinance back for consideration at a later date.
3. Decline to adopt General Ordinance 17-1356

### **Attachment**

General Ordinance 17-1356

**GENERAL ORDINANCE NO. 17-1356**

**AN ORDINANCE AMENDING GENERAL ORDINANCE NO. 98-1222,  
CONCERNING ZONING ORDINANCE AMENDMENTS # 93-16 AND 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, AND REGULATIONS ON THE OPERATION OF  
MEDICAL MARIJUANA GROW SITES**

**WHEREAS**, ORS 475B.340(1)(a), (b), (c), and (g) provide that local governments can adopt reasonable time, place and manner regulations on the manner in which a marijuana producer licensed under ORS 475B.070 may produce marijuana; on the manner in which a marijuana processor licensed under ORS 475B.090 may process marijuana; on the manner in which a marijuana wholesaler licensed under ORS 475B.100 may sell marijuana at wholesale; and reasonable limitations on where a premises for which a license may be issued under ORS 475B.070, 475B.090, and ORS 475B.100 may be located; and

**WHEREAS**, ORS 475B.340(2) provides that notwithstanding ORS 633.738, the governing body of a city may adopt ordinances that impose reasonable regulations on the operation of businesses located at premises for which a license has been issued under ORS 475B.070, 475B.090, and 475B.100 if the premises are located in the area subject to the jurisdiction of the city, except the governing body of the city may not adopt an ordinance that prohibits a premises for which a license has been issued under ORS 475B.110 from being located within a distance that is greater than 1,000 feet of another premises for which a license has been issued under ORS 475B.110; and

**WHEREAS**, ORS 475B.500(1)(d) provides that local time, place, and manner regulations include reasonable limitations on where the marijuana grow site of a person designated to produce marijuana by a registry identification cardholder, a marijuana processing site, or a medical dispensary may be located; and

**WHEREAS**, ORS 475B.500(2) provides that notwithstanding ORS 633.738, the governing body of a city may adopt ordinances that impose reasonable regulations on the operation of marijuana grow sites of persons designated to produce marijuana by registry identification cardholders, marijuana processing sites and medical marijuana dispensaries that are located in the area subject to the jurisdiction of the city; and

**WHEREAS**, on October 6, 2016, the City Planning Commission conducted a public hearing upon proposed amendments to the City's Land Use and Development Ordinance to establish time, place, and manner regulations for the production, processing, and wholesaling of medical marijuana, and to establish reasonable restrictions on the location of marijuana grow sites, and to adopt time, place, and manner restrictions on medical marijuana grow sites, and voted to adopt Resolution No. P.C. 577-16 for Zoning Ordinance Amendment #93-16; and

**WHEREAS**, on March 16, 2017, the City Planning Commission conducted a public hearing upon proposed amendments to the City's Land Use and Development Ordinance pertaining to the distance restrictions for facilities selling recreational marijuana, and provisions related to the control of odor and screening for personal marijuana grow sites, and voted to adopt

Resolution No. PC 562-17 amending provisions related to the sale of recreational retail marijuana and establishing provisions for the control of odor and screening for personal marijuana grow sites; and

**WHEREAS**, the City Council conducted a public hearing on May 22, 2017 to consider the Planning Commission's recommendations, and following the close of the public hearing, the City Council voted to decline to adopt General Ordinance No. 17-1352 which included the Planning Commission's recommendations; and

**WHEREAS**, City staff has requested the City Council to reconsider its decision of May 22, 2017 concerning the Planning Commission's recommendations related to the proposed time, place, and manner regulations of facilities for the processing, production, and wholesaling of medical marijuana, establishing reasonable restrictions on the location of marijuana grow sites and regulations on the operation of medical marijuana grow sites; and

**WHEREAS**, the City Council conducted a public hearing on July 10, 2017 to reconsider the Planning Commission's recommendations as set forth above, and following the public hearing, the City Council voted to approve the Planning Commission's recommendations related to the proposed time, place, and manner regulations of facilities for the processing, production, and wholesaling of medical marijuana, establishing reasonable restrictions on the location of marijuana grow sites and regulations on the operation of medical marijuana grow sites;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF THE DALLES ORDAINS AS FOLLOWS:**

**Section 1. Findings.** In support of the adoption of General Ordinance No. 17-1352, the City Council makes the following findings:

- A. State law authorizes the operation of medical marijuana businesses and provides these businesses with immunity from state criminal prosecution.
- B. Although the State of Oregon has passed legislation authorizing medical marijuana businesses and providing criminal immunity under state law, the operation of those businesses remains illegal under federal law.
- C. The City Council has home rule authority to decide whether, and under what conditions, certain commercial conduct should be regulated within the City and subject to the general and police powers of the City, except when local action has been clearly and unambiguously preempted by state statute.
- D. Whether a certain business should operate within a local jurisdiction is a local government decision, and local governments may enforce that decision through the general and police powers of that jurisdiction.
- E. The City Council wants to regulate the operation of certain medical marijuana businesses, and the location and operation of medical marijuana grow sites, located in the City in ways that protect and benefit the public health, safety and welfare of existing and future residents and businesses in the City.
- F. This ordinance is intended to impose restrictions, not provide authorizations.

- G. The operation of a medical marijuana business without proper authority from either the Oregon Liquor Control Commission or the Oregon Health Authority is prohibited within the City.

**Section 2. Criteria for Amendment Satisfied.** Section 3.110.030 of the City’s Land Use and Development Ordinance provides that text amendments to the Ordinance shall be consistent with the City’s Comprehensive Plan, and State laws and administrative rules. Concerning the Comprehensive Plan, Goal #9, Economic Development is stated as follows: “To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon’s citizens”. The proposed amendments provide specific locations where the commercial activity associated with the operation of medical marijuana processing and wholesaling can occur. Medical marijuana processing and wholesaling facilities, and Non-Personal Medical Grow Operations will be subject to the same requirements concerning operation and licensing which are imposed upon retail marijuana processing and wholesaling operations. The requirements include that the facility be located in a building; that the operation complies with specified provisions for odor control; and that the medical marijuana processing and wholesaling and Non-Personal Medical Grow Operations comply with all applicable rules of the State of Oregon, including the Oregon Health Authority and the Oregon Liquor Control Commission. These provisions will ensure that operations associated with the processing and wholesaling of medical marijuana, and the operation of Non-Personal Medical Grow Operations, occur in a manner which protects the welfare of the community. The proposed amendments also provide opportunities, under restricted conditions, for economic activity associated with medical marijuana production, processing, storage, and wholesaling, within the commercial light industrial and industrial zoning district. The Council finds and concludes that the proposed text amendments are consistent with the City’s Comprehensive Plan.

State law provides that processors that produce medical marijuana extracts may not be located in an area zoned for residential use. The proposed amendments would allow medical marijuana processing and wholesaling to occur in the “CLI” – Commercial Light Industrial Zone, and the “I” – Industrial Zone. These zoning districts allow recreational marijuana processing and wholesaling. The proposed amendments do not lessen the provisions imposed by state law; they clarify which zoning districts will allow the processing of medical marijuana. The proposed amendments impose certain requirements upon the manner in which the medical marijuana operations must occur. Administrative rules adopted by the Oregon Health Authority include a significant volume of provisions which regulate the manner of operation of medical marijuana processors and wholesalers. The additional restrictions on the operation of these types of businesses imposed by this ordinance do not lessen the provisions or regulations adopted by State law and administrative rules. The City Council finds the proposed amendments concerning the operation of medical marijuana processing and wholesaling operations are consistent with the provisions of State law and administrative rules concerning medical marijuana processing and wholesaling facilities.

Concerning the regulation of marijuana grow sites, the proposed amendments provide for homegrown recreational grow sites limited to four plants, in residential zoning districts and the “NC” – Neighborhood Center Overlay zones, which is consistent with state law. State law does not include any provisions restricting the location of medical marijuana grow sites. Under State law, in an area zoned for residential use, a medical marijuana grow site may have up to 12 mature plants, and up to 48 plants if located in any other zoning district. State law allows a person to be designated to grow medical marijuana for up to four registry identification cardholders. This creates the potential for a grower to have up to four medical marijuana grow sites in a residential zone with up to 12 plants at each site.

Under the proposed amendments, personal medical marijuana grow sites would be allowed only in residential zoning districts, and the “NC” – Neighborhood Center Overlay zoning district. The number of plants which could be grown at these sites is limited to six. The amendments also provide that the medical marijuana grow site would need to be registered with the Oregon Health Authority at the location where the holder of the registry identification card lives. The Council finds that current state law which allows the potential for one grower to have four medical marijuana grow sites with 12 plants in residential zones, could encourage the proliferation of such grow sites in residential zones. The Council finds the potential for a significant increase in the number of medical marijuana grow sites in residential zones increases the likelihood for creation of negative impacts such as odor or bright lighting which can impact adjacent residential properties. The Council also finds that the restrictions in state law are not sufficient to protect residential neighborhoods from the negative impacts resulting from an increased number of medical marijuana grow sites in residential zoning districts, and the proposed amendments are reasonable and necessary to protect the residential districts from such negative impacts. The proposed amendments allow for Non-Personal Medical Marijuana Grow Operations in non-residential zoning districts, and include provisions to ensure these operations do not operate in a manner which negatively impacts adjacent properties. The Non-Personal Medical Marijuana Grow Operations will provide a source of medical marijuana, which can ultimately be dispensed for patients who qualify to use medical marijuana.

The proposed amendments also establish provisions that the owners of property upon which a Homegrown Recreational Marijuana Grow Site or a Personal Medical Marijuana Grow Site is located, cannot allow odor from the grow site to emanate from the property onto other property. The grow sites must also be screened using appropriate material as defined in Section 6.010.050 of the LUDO so that the grow site cannot be seen by unaided normal vision from a public place or neighboring property. The Council finds and concludes that these provisions are in the best interests of the safety and welfare of the general public, in order to prevent the grow sites from creating nuisance conditions, and to protect the aesthetic value of property which is adjacent to the property containing the grow sites.

State law allows a local governing body to adopt time, place, and manner regulations including reasonable limitations on where the marijuana grow site of a person designated to produce marijuana by a registry identification cardholder, a marijuana processing site, or a medical dispensary may be located. State law also allows a local governing body to adopt ordinances that impose reasonable regulations on the operation of marijuana grow sites by persons designated to produce marijuana by registry identification cardholders, marijuana processing sites and medical marijuana dispensaries that are located in the area subject to the jurisdiction of the city. The City Council finds that the proposed amendments are consistent with the provisions of state statutes and administrative rules for marijuana grow sites.

**Section 3.** Amend LUDO Section 2.030 to add new definitions for Homegrown or Homemade, Household, Homegrown Recreational Marijuana Grow Site, Housing Unit, Medical Marijuana Processing, Medical Marijuana Wholesaling, Non-Personal Medical Marijuana Grow Operation, and Personal Medical Marijuana Grow Site.

Homegrown or Homemade – means grown or made by a person 21 years of age or older for noncommercial purposes.

Household – means a housing unit and any place in or around a housing unit at which the occupants of the housing unit are producing, processing, or storing homegrown marijuana or homemade cannabinoid products or cannabinoid extracts.

Homegrown Recreational Marijuana Grow Site – means the production of marijuana at a household that does not exceed four marijuana plants at a time.

Housing Unit – means a house, an apartment or a mobile home, or a group of rooms or a single room that is occupied as separate living quarters, in which the occupants live and eat separately from any other persons in the building and that has direct access from the outside of the building or through a common hall.

Medical Marijuana Processing – The processing, compounding, or conversion of marijuana into cannabinoid products, cannabinoid concentrates, or cannabinoid extracts, provided that the marijuana processor is licensed by the Oregon Health Authority.

Medical Marijuana Wholesaling – The purchase of marijuana items for resale to a person other than a consumer, provided that the marijuana wholesaler is licensed by the Oregon Health Authority.

Non-Personal Medical Marijuana Grow Operation – means any grow site registered with the Oregon Health Authority under ORS 475B.420 for the planting, cultivating, growing, trimming or harvesting marijuana, or drying marijuana leaves or flowers, but excluding a Personal Medical Marijuana Grow Site.

Personal Medical Marijuana Grow Site – means a marijuana grow site registered with the Oregon Health Authority at the location where the holder of a registry identification card lives. Notwithstanding the number of grow sites registered by the Oregon Health Authority at the location, or the number of persons with a registry identification card at the location, a personal medical marijuana grow site shall lose that designation if more than six mature medical marijuana plants are growing at such location.

**Section 4.** Section 5.010.040 Prohibited Uses shall be amended to read as follows:

Except as provided herein, the production, processing, wholesaling, and retailing of recreational and medical marijuana are prohibited uses in all “RL” – Residential Low Density districts.

Marijuana shall not be grown on any residentially zoned property except as follows:

- A. A Homegrown Recreational Marijuana Grow Site.
- B. A Personal Medical Marijuana Grow Site.
  - 1. No owner of real property or person in charge of the property shall allow, permit, or cause the odor of marijuana associated with a Homegrown Recreational Marijuana Grow Site or a Personal Medical Marijuana Grow Site, to emanate from the property upon which the Grow Site is located, to any other property.
  - 2. No owner of real property or person in charge of the property shall allow, permit, or cause a Homegrown Recreational Marijuana Grow Site or a Personal Medical Marijuana Grow Site to be located in a place where the Grow Site may be seen by normal unaided vision from a public place or neighboring property. The Grow Site shall be screened using appropriate screening material as defined in Section 6.010.050 of this ordinance.

**Section 5.** Section 5.020.040 Prohibited Uses shall be amended to read as follows:

Except as provided herein, the production, processing, wholesaling, and retailing of recreational and medical marijuana are prohibited uses in all “RH”– Residential High Density districts. Marijuana shall not be grown on any residentially zoned property except as follows:

- A. A Homegrown Recreational Marijuana Grow Site.
- B. A Personal Medical Marijuana Grow Site.
  - 1. No owner of real property or person in charge of the property shall allow, permit, or cause the odor of marijuana associated with a Homegrown Recreational Marijuana Grow Site or a Personal Medical Marijuana Grow Site, to emanate from the property upon which the Grow Site is located, to any other property.
  - 2. No owner of real property or person in charge of the property shall allow, permit, or cause a Homegrown Recreational Marijuana Grow Site or a Personal Medical Marijuana Grow Site to be located in a place where the Grow Site may be seen by normal unaided vision from a public place or neighboring property. The Grow Site shall be screened using appropriate screening material as defined in Section 6.010.050 of this ordinance.

**Section 6.** Section 5.030.040 Prohibited Uses shall be amended to read as follows:

Except as provided herein, the production, processing, wholesaling, and retailing of recreational marijuana are prohibited uses in all “RM”– Residential Medium Density districts. Marijuana shall not be grown on any residentially zoned property except as follows:

- A. A Homegrown Recreational Marijuana Grow Site.
- B. A Personal Medical Marijuana Grow Site.
  - 1. No owner of real property or person in charge of the property shall allow, permit, or cause the odor of marijuana associated with a Homegrown Recreational Marijuana Grow Site or a Personal Medical Marijuana Grow Site, to emanate from the property upon which the Grow Site is located, to any other property.
  - 2. No owner of real property or person in charge of the property shall allow, permit, or cause a Homegrown Recreational Marijuana Grow Site or a Personal Medical Marijuana Grow Site to be located in a place where the Grow Site may be seen by normal unaided vision from a public place or neighboring property. The Grow Site shall be screened using appropriate screening material as defined in Section 6.010.050 of this ordinance.

**Section 7.** Section 5.040.040 Prohibited Uses shall be amended to read as follows:

Except as provided herein, the production, processing, wholesaling, and retailing of recreational marijuana are prohibited uses in all “NC” – Neighborhood Center Overlay zones. Marijuana shall not be grown on any residentially zoned property except as follows:

- A. A Homegrown Recreational Marijuana Grow Site.

B. A Personal Medical Marijuana Grow Site.

1. No owner of real property or person in charge of the property shall allow, permit, or cause the odor of marijuana associated with a Homegrown Recreational Marijuana Grow Site or a Personal Medical Marijuana Grow Site, to emanate from the property upon which the Grow Site is located, to any other property.
2. No owner of real property or person in charge of the property shall allow, permit, or cause a Homegrown Recreational Marijuana Grow Site or a Personal Medical Marijuana Grow Site to be located in a place where the Grow Site may be seen by normal unaided vision from a public place or neighboring property. The Grow Site shall be screened using appropriate screening material as defined in Section 6.010.050 of this ordinance.

**Section 8.** Section 5.070.030 shall be amended by adding a new subsection (H) concerning marijuana facilities, which would read as follows:

H. The production, processing, storage, and wholesaling of medical marijuana, including a Non-Personal Medical Marijuana Grow Operation, subject to the following additional provisions:

1. The facility must be located in a building and may not be located in an intermodal cargo container, motor vehicle, recreational vehicle or residential trailer. Outdoor storage of merchandise, raw materials, or other material associated with the production, processing, storage or wholesaling facility is prohibited. Greenhouses are not allowed.
2. The facility shall provide for secure disposal of marijuana remnants or by-products; such remnants or by-products shall not be placed in the facility's exterior refuse containers.
3. A building used for medical marijuana production, processing, storage, wholesaling or Non-Personal Medical Marijuana Grow Operation shall be equipped with a carbon filtration system for odor control.
  - a. The system shall consist of one or more fans and filters.
  - b. At a minimum, the fan(s) shall be sized for cubic feet per minute (CFM) equivalent to the square footage of the building floor space (i.e., one CFM per square feet of building floor space).
  - c. The filter(s) shall be rated for the required CFM.
  - d. The filtration system shall be maintained in working order and shall be in use.
  - e. An alternative odor control system is permitted if the applicant submits a report by a mechanical engineer licensed in the State of Oregon demonstrating that the alternative system will control odor as well, or better than, the carbon filtration system otherwise required.

4. The medical marijuana production, processing, storage, wholesaling business or Non-Personal Medical Marijuana Grow Operation's state licensing or authority must be in good standing with all rules of the State of Oregon, including the Oregon Health Authority and the Oregon Liquor Control Commission, and the business must comply with all applicable rules and regulations administered by any state agency, including, without limitation, those rules that relate to labeling, packaging, testing, security, waste management, food handling, and training.
5. The medical marijuana production, processing, storage, wholesaling business, or Non-Personal Medical Marijuana Grow Operation must be located more than 500 feet from a public elementary or secondary school for which attendance is compulsory under ORS 339.020, or a private or parochial elementary or secondary school, teaching children as described in ORS 339.030(1)(a).

**Section 9.** Section 5.090.030(J) shall be amended to read as follows:

The production, processing, storage, and wholesaling of recreational or medical marijuana, including a Non-Personal Medical Marijuana Grow Operation. An application for a marijuana production, processing, storage, wholesaling facility, or Non-Personal Medical Marijuana Grow Operation shall also comply with the following criteria:

1. The facility must be located in a building and may not be located in an intermodal cargo container, motor vehicle, recreational vehicle or residential trailer. Outdoor storage of merchandise, raw materials, or other material associated with the production, processing, storage or wholesaling facility is prohibited. Greenhouses are not allowed.
2. The facility shall provide for secure disposal of marijuana remnants or by-products; such remnants or by-products shall not be placed in the facility's exterior refuse containers.
3. The production, processing, storage, or wholesaling facility or Non-Personal Medical Marijuana Grow Operation shall be licensed by the Oregon Liquor Control Commission or Oregon Health Authority and comply with the requirements of any applicable administrative rule adopted by the Oregon Liquor Control Commission or Oregon Health Authority.
4. A building used for marijuana production, processing, storage, or wholesaling or Non-Personal Medical Marijuana Grow Operation shall be equipped with a carbon filtration system for odor control.
  - a. The system shall consist of one or more fans and filters.
  - b. At a minimum, the fan(s) shall be sized for cubic feet per minute (CFM) equivalent to the square footage of the building floor space (i.e., one CFM per square feet of building floor space).
  - c. The filter(s) shall be rated for the required CFM.
  - d. The filtration system shall be maintained in working order and shall be in use.

- e. An alternative odor control system is permitted if the applicant submits a report by a mechanical engineer licensed in the State of Oregon demonstrating that the alternative system will control odor as well or better than the carbon filtration system otherwise required.
5. The recreational or medical marijuana production, processing, storage, wholesaling business, or Non-Personal Medical Marijuana Grow Operation's state licensing or authority must be in good standing with all rules of the State of Oregon, including the Oregon Health Authority and the Oregon Liquor Control Commission, and the business must comply with all applicable rules and regulations administered by any state agency, including, without limitation, those rules that relate to labeling, packaging, testing, security, waste management, food handling, and training.

**PASSED AND ADOPTED THIS 10<sup>TH</sup> DAY OF JULY 2017.**

Voting Yes, Councilors: \_\_\_\_\_  
 Voting No, Councilors: \_\_\_\_\_  
 Abstaining, Councilors: \_\_\_\_\_  
 Absent, Councilors: \_\_\_\_\_

**AND APPROVED BY THE MAYOR THIS 10<sup>TH</sup> DAY OF JULY 2017.**

\_\_\_\_\_  
 Stephen E. Lawrence, Mayor

Attest:

\_\_\_\_\_  
 Izetta Grossman, City Clerk



## AGENDA STAFF REPORT

### AGENDA LOCATION: Public Hearing Item #11-B

**MEETING DATE:** July 10, 2017

**TO:** Honorable Mayor and City Council

**FROM:** Gene Parker, City Attorney

**ISSUE:** Public Hearing for testimony concerning potential surplus real properties and 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.

**BACKGROUND:** On October 24, 2016, the City Council adopted Resolution No. 16-028 (attached) establishing new procedures for the sale of certain classes of City-owned real property, including vacant undevelopable lots and vacant developable lots and developed lots. City staff has identified three vacant properties for the Council to consider declaring surplus property. The public hearing is to allow for public testimony whether there is any public purpose for these properties, or whether transfer of the properties is in the public interest. This staff report will also include a recommendation for a vacant lot located at the corner of 12<sup>th</sup> and Jefferson Street, which was previously declared to be surplus property by the adoption of Resolution No. 15-047, a copy of which is enclosed with this staff report.

#### Assessor's Map No. 1N 13E 4CC Tax Lots 3100 and 3300

These two vacant properties are located at the corner of West 23<sup>rd</sup> and Wright Streets, and are shown on the map identified as Map #1. The two properties are divided by Tax Lot 3200. Tax Lot 3200 contains a drainage system which controls a natural spring, and the City needs to retain ownership of this property to maintain the drainage system. Therefore, this property is not being proposed to be declared surplus property.

The street frontage of Tax Lot 3100 measures 59 feet, and the back lot line measures approximately 83 feet. The side lot lines measure approximately 100 feet. Tax Lot 3300 on the corner of West 23<sup>rd</sup> and Wright Streets measures approximately 100 feet by 59

feet. The lots are capable of being developed for residential purposes. A review of a local real estate firm on vacant lots for sale online indicates that the value of these lots would be in the range of \$35,000 to \$45,000. The Wasco County Assessor's Office lists the market values as \$11,170 for Tax Lot 3100, and \$10,760 for Tax Lot 3300.

Under the process set forth in Resolution No. 16-028, once the two properties have been declared surplus, the Council will need to determine the minimum acceptable terms for sale of the properties. The minimum bid acceptable to the City should be reflective of the market value for the property, and reflective of any costs necessary to compensate the City for any nuisance abatement costs, lien foreclosure costs, and costs associated with closing the purchase, including the costs of a preliminary title report and title insurance. A notice would then be published in The Dalles Chronicle announcing that bids would be accepted by the deadline set out in the advertisement. At least two weeks would be allowed for receipt of the bids. The highest bid above the minimum acceptable bid would be accepted and approved by the Council at its September 11 meeting. If no acceptable bids are received, Resolution No. 16-028 provides for a process to market the property with a local real estate broker for a six month period, which can be extended for an additional six month period by the City.

#### Assessor's Map No. 1N 13E 4AA Tax Lot 100

This parcel measures 2.85 acres, and is located adjacent to property owned by Hattenhauer Distributing, and is shown on the map labeled Map#2. The property has extremely limited access, and large rock outcroppings on the property make it unlikely that the property could be developed for residential or commercial purposes. The property has recently been the site of several homeless camps. It appears that the primary value of the property would result from its acquisition by an adjacent property owner. An adjacent property owner has expressed some interest in possibly acquiring the property from the City. The Wasco County Assessor's Office has listed the market value of the property at \$1,180.00.

Under the procedure outlined in Resolution No. 16-028, after the property has been declared surplus, the City would publish a notice in The Dalles Chronicle that persons interested in negotiating an agreement to purchase the property would have 14 days from the date of publication to notify the City Manager of their interest in the property. All prospective purchasers will be advised they would be responsible for the costs of any necessary survey work, the costs of title insurance, and payment of any required recording or mapping fees. Within 60 days of the date of publication, the City Manager has the authority to negotiate an agreement for the sale of the property. The party who first negotiates an agreement with the City Manager will be entitled to have the agreement presented to the City Council for their approval. It is anticipated that this agreement would be presented to the Council at its September 11 meeting.

#### Property at 600 East 12<sup>th</sup> Street

This property consists of a vacant lot at the corner of 12<sup>th</sup> and Jefferson Streets, and is shown on the map labeled Map #3. The property includes two lots which have frontage of 100 feet on 12<sup>th</sup> Street and 81 feet on Jefferson Street. The City abated a dangerous building by demolition on the property and acquired the property through a lien

foreclosure. In addition to the costs associated with the demolition abatement, the City removed a hazardous tree located upon the property. The current balance owing on the abatements is \$59,432.03. The property is located in the Central City Kelly Avenue Active Landslide zone. The report which classifies the various geological hazard zones recommends that all new development within this zone be reviewed by a qualified engineering geologist or geotechnical engineer. During a recent discussion with a local real estate broker concerning the value of this property, they expressed an opinion that the property could be worth between \$35,000 to \$40,000.

### Potential Use of Properties for Affordable Housing

Another option which the Council could consider for the vacant lots that could be developed for residential purposes would be to make the lots available for development of affordable housing. The final Housing Strategies Report includes a recommendation that the City should continue to support local and regional efforts to meet current and future housing needs, particularly those targeted to affordable and special needs housing. The Report describes “assistance with site identification” to include the City considering the potential for existing City-owned property to be used for affordable housing development. If the City Council desired to provide a parcel to an entity for development of affordable housing, the City would have to follow the process outlined in ORS 271.725 , which would require publication of a notice of a public hearing, where the property would be described; the terms of the proposed sale and proposed use of the property would be explained; evidence of the market value of the property would be presented; and an explanation of the reasons why the City considered it necessary or convenient to sell the property would be presented.

**BUDGET IMPLICATIONS:** The total revenue received from the sale of the vacant properties will ultimately depend upon the minimum acceptable terms determined by the City Council and whether any of the vacant lots which are suited for residential development should be developed for affordable housing.

### **COUNCIL ALTERNATIVES:**

1. **Staff recommendation:** *Move 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.*
2. The Council will then need to make a series of decisions related to the four vacant parcels which are described above in this staff report:
  - A. **Two vacant parcels at 23<sup>rd</sup> and Wright Streets:** The Council has two primary options for these two parcels:
    1. Determine the minimum acceptable terms for sale of the lots. As noted above, it appears the market value of the lots may range between \$35,000 to \$45,000. Once the Council determines the minimum price for the properties, staff would then proceed with the process of advertising for competitive written bids as outlined above.

2. If the Council desired to provide one or both of the lots to an entity to be used for development of affordable housing, the Council would need to determine what the terms of a proposed sale of one or both of the lots would be, and then proceed to conduct the public hearing required by ORS 271.725.

B. **Vacant property adjacent to Hattenhauer property:** Staff recommends that the Council provide the City Manager with a minimum price to use in negotiations with prospective buyers.

C. **Vacant property at 600 East 12<sup>th</sup> Street**

1. The Council can consider setting the minimum price at \$60,000 which would recover almost all of the costs incurred by the City in abatement of nuisance conditions upon the property.
2. The Council can choose to set a different minimum price for the property.
3. The Council could consider making the property available to an entity for development of affordable housing, setting the terms of the sale and scheduling a public hearing pursuant to ORS 271.725.

**RESOLUTION NO. 16-028**

**A RESOLUTION ESTABLISHING NEW PROCEDURES FOR THE  
SALE OF CERTAIN CLASSES OF CITY-OWNED REAL PROPERTY  
AND REPEALING RESOLUTION NO. 98-013**

**WHEREAS**, ORS 221.727 provides the City may adopt a procedure for the sale of individual parcels of a class of City-owned real properties, or any interest therein, under a single program established within the City for the sale of that class of properties; and

**WHEREAS**, on March 9, 1998, the City Council adopted Resolution No. 98-013 establishing procedures for the sale of certain classes of City-owned real property; and

**WHEREAS**, a review of Resolution No. 98-013 indicates that some of its provisions are obsolete or have the potential to create some confusion or inefficiencies, and the Council desires to adopt a new resolution to address these issues;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL AS  
FOLLOWS:**

**Section 1.** The following procedures shall be adopted for the sale of individual parcels of the following categories of real property.

Vacant Undevelopable Lots

The City owns certain vacant lots which are generally small and irregularly shaped. Typically these lots are adjacent to larger developed lots. These lots are not of sufficient size to be developed, and have minimal market value. The procedure for disposition of these parcels is as follows:

- A. The City Council will schedule a public hearing to take public testimony as to whether there is any public use for the property, or whether transfer of the property would benefit the public interest. Notice shall be given of the agenda item not less than ten (10) days before the Council meeting to all owners whose property is adjacent to the vacant lot. If either of these criteria is satisfied, the City Council will adopt a resolution declaring the property to be surplus.
- B. Notice of the proposed sale of the property shall be published once in a newspaper of general circulation in the City. The notice shall provide that persons interested in negotiating a purchase of the property must notify the City Manager's office by 5:00 PM on the fourteenth day from the date of publication. The City Manager shall proceed to negotiate with persons who have expressed an interest in purchasing the property. Potential purchasers shall be advised that they will be responsible for obtaining estimated costs for any necessary survey, preparation of preliminary title reports and title insurance costs, and for payment of required recording or mapping fees. Within sixty (60) days of the date of publication of the notice of the proposed sale, the interested purchaser who is the first purchaser to obtain confirmation

from the City Manager that terms for a purchase agreement have been negotiated, will be entitled to have the City Manager present the negotiated agreement for approval by the City Council at a regularly scheduled Council meeting. Following the Council's approval of the negotiated agreement, the City Attorney will proceed with preparation of documents to complete the purchase agreement.

Vacant Developable Lots and Developed Lots

- A. The City Council will schedule a public hearing and shall describe the proposed property for sale. Notice shall also be given to property owners within three hundred (300) feet of the subject property.
- B. Public testimony shall be solicited at the hearing to determine if there is any public use for the property, or if a transfer of the property is in the public interest.
- C. After the hearing, the Council shall decide if it will offer the property for sale, and what the minimum acceptable terms shall be. The minimum acceptable terms may include the following:
  - 1. The minimum bid acceptable to the City reflective of a market value for the property established by the City, either by a formal appraisal or a market analysis conducted with assistance from local real estate agents; and reflective of the City's estimate of the amount intended to compensate the City for any nuisance abatement costs, lien foreclosure costs, costs associated with closing the purchase, including the costs of a preliminary title report and title insurance.
  - 2. Submission of documentation of pre-qualification for any proposed financing for the purchase including pulling of credit reports and processing by automated underwriting.
- D. If an offer to sell is authorized by the Council, a notice soliciting sealed bids shall be published at least once in a newspaper of general circulation in the City at least two (2) weeks prior to the bid deadline date. The notice shall describe the property to be sold, the minimum acceptable terms of sale, the person designated to receive bids, the last date bids will be received, and the date, time, and place that bids will be opened.
- E. In the event bids are received which exceed the amount included in the City's minimum acceptable bid, the highest bid shall be accepted, and the City Manager, or his/her designee, shall complete the sale. In the event two or more bids are received which are equivalent to the amount included in the City's minimum acceptable bid, the bidders shall have a period of seven (7) business days from receipt of the notice to submit a revised bid. The highest revised bid which is submitted shall be accepted, and the City Attorney shall proceed to prepare documents to complete the sale.
- F. In the event no acceptable bids are received, the City reserves the right to reject all bids, and re-advertise the property for sale, or list the property for six months with a local real estate broker/agent on a multiple listing basis, at the same or different minimum acceptable terms established under Section C. A broker/agent shall be selected in accordance with the criteria found in Section G. A listing may be renewed for additional six (6) month periods at the Council's discretion.

G. The selection of a real estate broker/agent shall be in accordance with the following procedures:

1. The City shall publish notice in a newspaper of general circulation in The Dalles inviting proposals for the services to be provided in connection with the listing of the property. The notice shall be published at least two (2) weeks prior to the date on which proposals are due. Copies of the notice inviting proposals shall be mailed to local real estate brokers/agents within the City of The Dalles.

2. The broker's/agent's proposal shall be in writing and it shall address the selection criteria set forth in subsection 3 of this section.

3. The City Manager, or his/her designee, shall consider the following factors in the selection of a broker/agent:

a. The broker's/agent's record in selling the type of real property being offered by the City for sale and the broker or agent's familiarity with The Dalles area market values;

b. The broker's/agent's proposed marketing plan and timelines: signs, advertising, direct mail, and/or other methods;

c. The amount of the broker's/agent's commission; and

d. Other factors which were stated in the notice of the invitation to submit a proposal.

**Section 2.** Resolution No. 98-013 is hereby repealed.

**PASSED AND ADOPTED THIS 24<sup>TH</sup> DAY OF OCTOBER, 2016.**

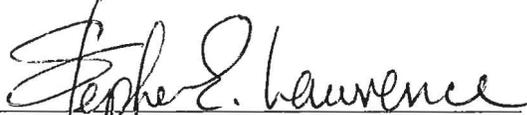
Voting Yes, Councilor: McGlothlin, Spatz, Miller, Elliott, Brown

Voting No, Councilor: none

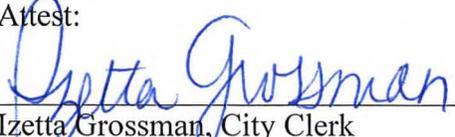
Absent, Councilor: none

Abstaining, Councilor: none

**AND APPROVED BY THE MAYOR THIS 24<sup>TH</sup> DAY OF OCTOBER, 2016.**

  
Stephen H. Lawrence, Mayor

Attest:

  
Izetta Grossman, City Clerk

**RESOLUTION NO. 15-047**

**A RESOLUTION DECLARING REAL PROPERTY DESCRIBED AS ASSESSOR'S  
MAP NO. 1N 13E 3CD, TAX LOT 10200, AS SURPLUS PROPERTY**

**WHEREAS**, on December 10, 2012, the City Council adopted Resolution No. 12-019 confirming that the structure located at 600 East 12<sup>th</sup> Street in The Dalles, Oregon, constituted a public nuisance as a dangerous building, and that demolition of the structure was an appropriate remedy ; and

**WHEREAS**, Resolution No. 12-019 provided that the property owner would have 30 days from the effective date of the Resolution to secure the necessary permits to perform the demolition work; and

**WHEREAS**, David Campbell, the owner of the property, did not obtain the required permits, and the City proceeded to hire a contractor to demolish the structure located at 600 East 12<sup>th</sup> Street; and

**WHEREAS**, on April 22, 2013, the City Council adopted Resolution No. 13-013 confirming the accounting report for the costs incurred by the City in demolition of the structure, and assessed the costs of the nuisance abatement as a personal obligation of the property owner, and as a lien upon the real property; and

**WHEREAS**, when the owner failed to pay the assessment imposed upon the property, the City instituted proceedings to foreclose upon the lien; and

**WHEREAS**, at a foreclosure sale conducted on October 3, 2014, the property located at 600 East 12<sup>th</sup> Street was sold to the City for the sum of \$49,425.95; and

**WHEREAS**, the one year statutory redemption period expired on October 3, 2015, and the City acquired title to the property by a Bargain and Sale Deed recorded on October 16, 2015

in the Wasco County Deed Records as Microfilm No. 2015-004131; and

**WHEREAS**, ORS 271.310 provides that a political subdivision may sell, exchange, convey or lease for any period not exceeding 99 years all or any part of its interest in real property, when that property is not needed for public use, or whenever the transfer of the property may further the public interest;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL AS FOLLOWS:**

Section 1. Property Declared Surplus. The parcel of land located at 600 East 12<sup>th</sup> Street in The Dalles, which is described as Assessor's Map No. 1N 13E 3CD, Tax Lot 10200, which is also described as follows:

The North 81 feet of Lots 1 and 2, Block 47, BIGELOW'S BLUFF ADDITION TO DALLES CITY, in the City of The Dalles, Wasco County, and State of Oregon

is hereby declared to be surplus property not needed for public use, and making the property available to be sold by the submission of written bids will further the public interest for the following reasons:

A. The property is a vacant lot located at the corner of 12<sup>th</sup> and Jefferson Streets. It is capable of being developed for residential purposes, which use is the highest and best use for the property.

B. Declaration of the property as surplus property will allow the City to use the process for sale of vacant developable lots set forth in Resolution No. 98-013. Under this process, City staff will request a preliminary title report for the parcel, and establish a market value for the parcel. The steps used to establish the market value could include a formal appraisal or a market analysis conducted with assistance from local real estate agents. Public notice will be provided of the time and place when the City will accept sealed written bids for the

purchase of the property. The City Council will meet in executive session to consider action on the bids. Following deliberations in executive session, the Council will return to regular session and vote to accept the highest bid, reject all bids or postpone action for a maximum of 45 days. If the Council decides to accept the highest bid, the City would proceed with preparation of necessary documents to complete the transaction.

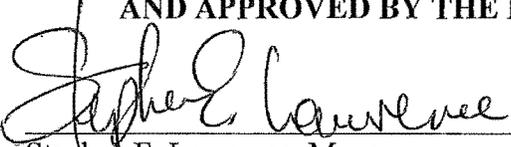
Section 2. Officers to Act. The Interim City Manager and other City staff members are authorized to execute the necessary documents to facilitate the process for receipt of written sealed bids for the purchase of the property .

Section 3. Effective Date. This resolution shall be considered to be effective as of November 23, 2015.

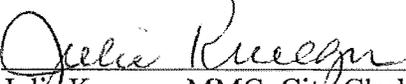
**PASSED AND ADOPTED THIS 23<sup>RD</sup> DAY OF NOVEMBER, 2015**

Voting Yes, Councilor: McGlothlin, Miller, Brown, Elliott, Spatz  
Voting No, Councilor: None  
Absent, Councilor: None  
Abstaining, Councilor: None

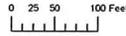
**AND APPROVED BY THE MAYOR THIS 23<sup>RD</sup> DAY OF NOVEMBER, 2015**

  
\_\_\_\_\_  
Stephen E. Lawrence, Mayor

Attest:

  
\_\_\_\_\_  
Julie Krueger, MMC, City Clerk

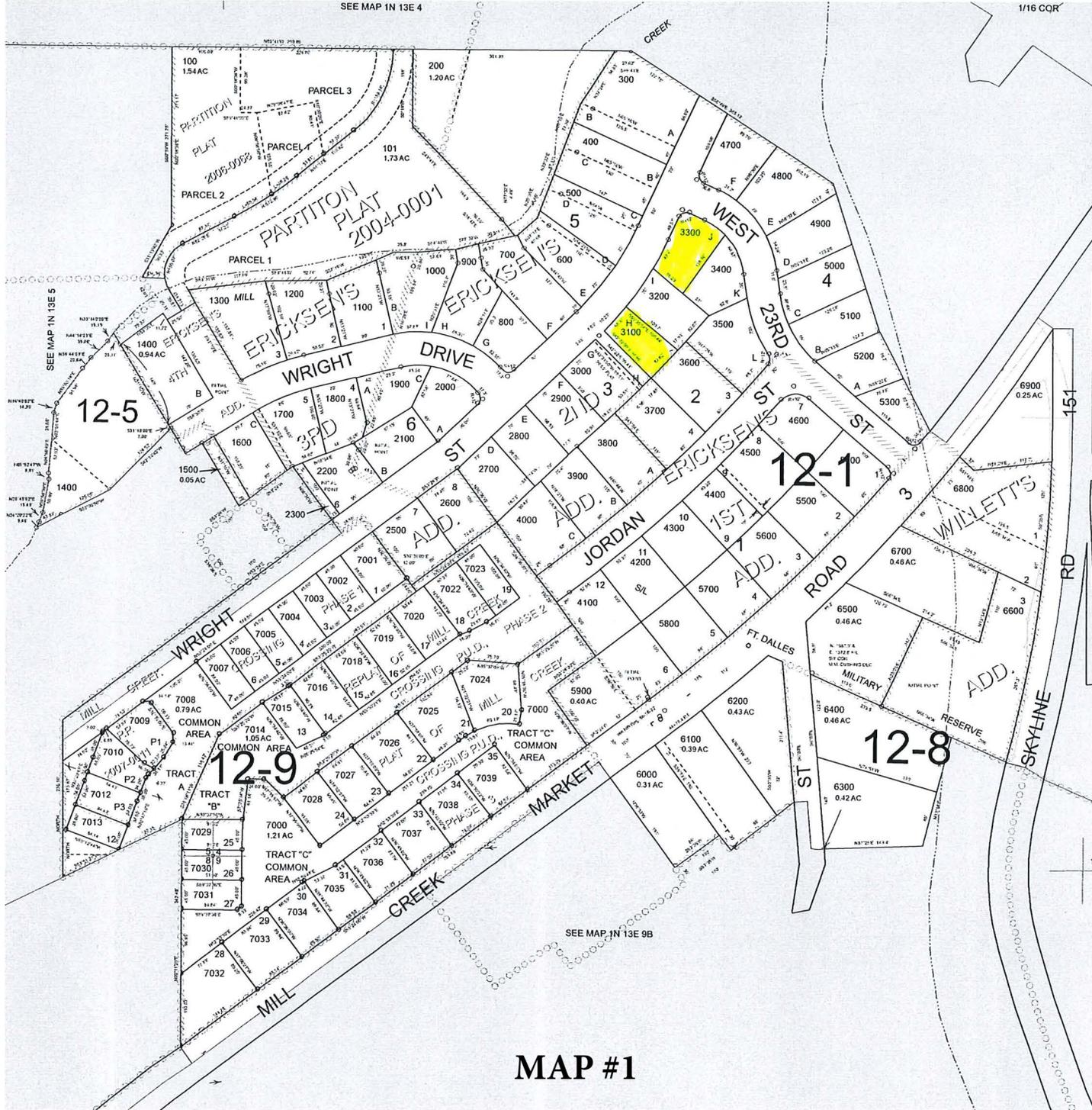
THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSE ONLY



S.W. 1/4 S.W. 1/4 SEC. 4 T. 1N. R. 13E. W.M.  
WASCO COUNTY  
1" = 100'

01N13E04CC  
THE DALLES

6/9/2016



CANCELLED  
102  
103  
2400  
7011  
7017  
7021

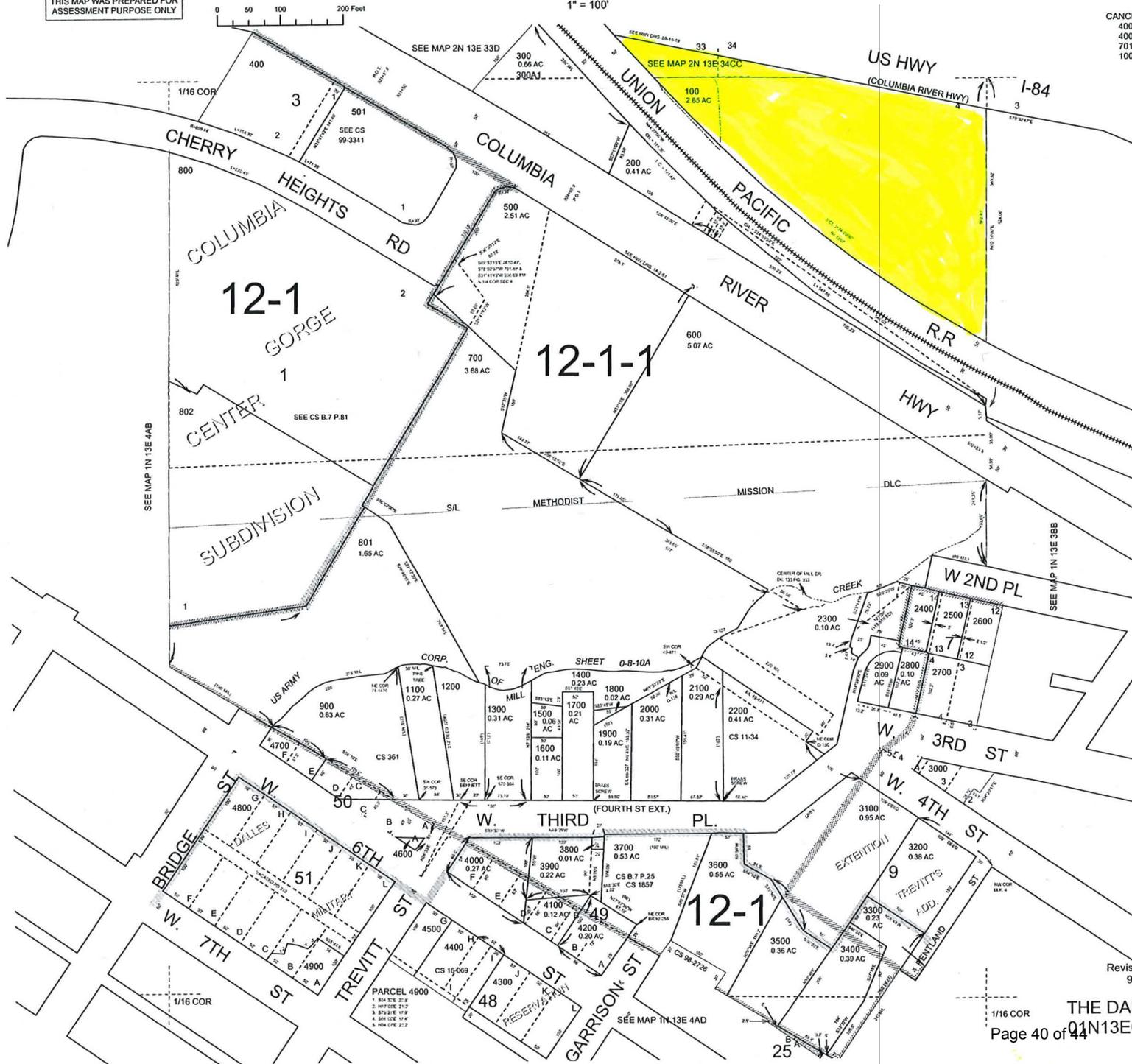
MAP #1

THIS MAP WAS PREPARED FOR  
ASSESSMENT PURPOSE ONLY

0 50 100 200 Feet

1" = 100'

CANCELLED:  
400A1  
400A2  
701  
1000



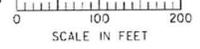
Revised: TCM  
9/14/2010

MAP #2

THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSE ONLY

SE1/4 SW1/4 SEC. 3 T.1N. R.13E. W.M. WASCO COUNTY

IN 13 3CD THE DALLES



1" = 100'

SEE MAP IN 13 3CA

CANCELLED NO'S 2500UI 2500U2

APPROX. 1/16 COR.



SEE MAP IN 13 3CC

SEE COR. METHODIST MISSION INT. EL. COR. W.D. BIGELOW D.L.C. 40

SEE MAP IN 13 30C

APPROX. 1/16 COR.

APPROX. 1/4 COR.

SEE MAP IN 13 10BA

Revised 3/17/2008, DBJ

IN 13 3CD THE DALLES

**RESOLUTION NO. 17-020**

**A RESOLUTION DECLARING REAL PROPERTIES DESCRIBED 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**

**WHEREAS**, on October 24, 2016, the City Council adopted Resolution No. 16-028 establishing new procedures for the sale of certain classes of City-owned real property, including vacant undevelopable lots and vacant developable lots and developed lots; and

**WHEREAS**, the City owns two parcels of vacant land identified as Assessor's Map No. 1N 13E 4CC, Tax Lots 3100 and 3300 which are located in the vicinity of West 23<sup>rd</sup> Street and Wright Street, and a vacant parcel of land identified as Assessor's Map No. 1N 13E 4AA Tax Lot 100; and

**WHEREAS**, pursuant to Resolution No. 16-028, notice of a public hearing to take public testimony as to whether the above-listed properties should be declared to be surplus property was sent to all owners whose property is adjacent to the property described as Assessor's Map No. 1N 13E 4AA Tax Lot 100 , and to all owners of property within 300 feet of the properties described as Assessor's Map No. 1N 13E 4CC Tax Lots 3100 and 3300; and

**WHEREAS**, ORS 271.310 provides that a political subdivision may sell, exchange, convey or lease for any period not exceeding 99 years all or any part of its interest in real property, when that property is not needed for public use, or whenever the transfer of the property may further the public interest;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL AS  
FOLLOWS:**

Section 1. Properties Declared Surplus. The following described properties are hereby

declared to be surplus property not needed for public use, and transfer of ownership of the properties will further the public interest for reasons stated in subsections A and B.

Assessor's Map No. 1N 13E 4CC Tax Lot 3100: Lot H, except the South five feet, in Block 3, ERICKSON'S SECOND ADDITION, in Wasco County, State of Oregon, subject to protective covenants as contained upon the recorded plat, and as contained in the instrument recorded in Book 136, page 647, Deed Records of Wasco County, and also subject to public utility easements as delineated upon the recorded plat.

Assessor's Map No. 1N 13E 4CC Tax Lot 3300: Lot J, in Block 3, ERICKSON'S SECOND ADDITION, in Wasco County, State of Oregon, subject to protective covenants as contained upon the recorded plat, and as contained in the instrument recorded in Book 136, page 647, Deed Records of Wasco County, and also subject to public utility easements as delineated upon the recorded plat.

Assessor's Map No. 1N 13E 4AA Tax Lot 100: Township 1 North, Range 13E of the Willamette Meridian: That portion of the Northeast ¼ of the Northeast ¼ lying Northeasterly of the Union Pacific Railroad right-of-way and Southerly of Interstate Highway 84.

A. The properties at the corner of 23<sup>rd</sup> and Wright Streets are vacant lots. They are capable of being developed for residential purposes, which use is the highest and best use for the properties. Declaring the properties to be surplus will allow the City to use the process set forth in Resolution No. 16-028 to solicit competitive written bids for the purchase of the properties.

B. The property identified as Assessor's Map No. 1N 13E 4AA Tax Lot 100 has very limited access, with large rock outcroppings that significantly negate the ability for the property to be developed for residential or commercial purposes. The highest and best use of the property would likely occur as a result of a purchase of the property by an adjacent property owner. An adjacent property owner has expressed interest in purchasing the property.

Section 2. Officers to Act. The City Manager and other City staff members are authorized to execute the necessary documents to facilitate the process for receipt of written sealed bids for the purchase of the two properties adjacent to 23<sup>rd</sup> and Wright Streets, and for the

advertisement of the property identified as Assessor’s Map No. 1N 13E 4AA Tax Lot 100 for persons interested in negotiating a purchase of the property from the City.

Section 3. Effective Date. This resolution shall be considered to be effective as of July 10, 2017.

**PASSED AND ADOPTED THIS 10<sup>th</sup> DAY OF JULY 2017.**

Voting Yes, Councilor: \_\_\_\_\_

Voting No, Councilor: \_\_\_\_\_

Absent, Councilor: \_\_\_\_\_

Abstaining, Councilor: \_\_\_\_\_

**AND APPROVED BY THE MAYOR THIS 10<sup>th</sup> DAY OF JULY 2017.**

\_\_\_\_\_  
Stephen E. Lawrence, Mayor

Attest:

\_\_\_\_\_  
Izetta Grossman, City Clerk