

AGENDA

REGULAR CITY COUNCIL MEETING

September 22, 2014

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. Manufacturing Day Proclamation
 - B. Breast Cancer Awareness Month Proclamation
 - C. Museum Commission Update and Approval of Museum Commission Bylaws
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

CITY OF THE DALLES

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

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 September 8, 2014 Regular City Council Meeting Minutes
- B. Approval of August 14, 2014 Special City Council Meeting Minutes

11. PUBLIC HEARINGS

- A. Continuation of Public Hearing to Receive Testimony Regarding Appeal of Minor partition Conditions by Taner Elliott [**Agenda Staff Report #14-067**]

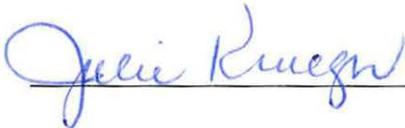
12. ACTION ITEMS

- A. Resolution No. 14-028 Approving the Enterprise Zone Extended Abatement Agreement Between the Sponsors of The Dalles/Wasco County Enterprise Zone III and Integrated 3D LLC [**Agenda Staff Report #14-068**]

13. ADJOURNMENT

This meeting conducted in a handicap accessible room.

Prepared by/
Julie Krueger, MMC
City Clerk

_____

PROCLAMATION

WHEREAS, an estimated 840 residents in The Dalles and Wasco County are employed by manufacturing firms; and

WHEREAS, the average annual national salary for manufacturing workers is more than \$77,000; and

WHEREAS, each manufacturing job creates 2.9 additional jobs in other sectors and each dollar of goods produced generates an additional \$1.43 for the economy; and

WHEREAS, the existing shortage of qualified workers available to fill manufacturing jobs is expected to grow;

NOW, THEREFORE, I, Stephen E. Lawrence, Mayor of the City of The Dalles, proclaim October 3, 2014, as

“MANUFACTURING DAY”

in The Dalles and encourage all residents to join in this observance.

**APPROVED AND DATED THIS 22nd DAY OF SEPTEMBER,
2014**

SIGNED:

Stephen E. Lawrence, Mayor

ATTEST:

Julie Krueger, MMC, City Clerk



PROCLAMATION

WHEREAS, October is National Breast Cancer Awareness month; and

WHEREAS, Oregon is always in the top five States for incidents of breast cancer; and

WHEREAS, it benefits our community when its citizens are healthy and take active measures to promote breast cancer awareness and treatment; and

WHEREAS, there will be events for the community to participate in, with proceeds going to local women with cancer;

NOW, THEREFORE, I, Stephen E. Lawrence, Mayor of the City of The Dalles, proclaim The month of October, 2014 as

“BREAST CANCER AWARENESS MONTH”

and encourage all citizens to show their support by joining the walk on October 25.

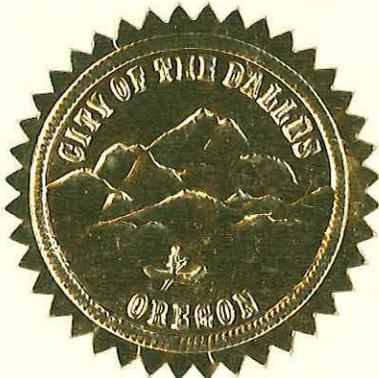
APPROVED AND DATED THIS 22nd DAY OF OCTOBER, 2014

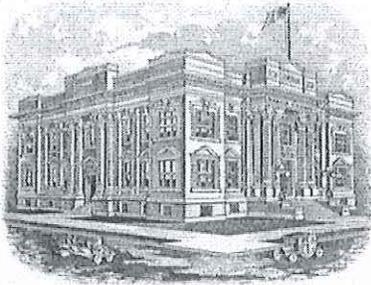
SIGNED:

Stephen E. Lawrence, Mayor

ATTEST:

Julie Krueger, MMC, City Clerk





WASCO COUNTY

Board of County Commissioners

511 Washington Street, Suite 302
The Dalles, Oregon 97058-2237
(541) 506-2520
Fax: (541) 506-2521

Scott Hege, *Chair of the Board*
Rod Runyon, *County Commissioner*
Steve Kramer, *County Commissioner*

August 8, 2014

Julie Krueger
City Clerk
313 Court Street
The Dalles, OR 97058

Re: Wasco County/City of The Dalles Museum Commission ByLaws

Dear Julie,

The enclosed bylaws (three originals) have been reviewed and approved by both the Wasco County Board of Commissioners and The Wasco County/City of The Dalles Museum Commission. The Museum Commission will be presenting the bylaws at an upcoming City Council Meeting. Once approved and signed by the City Council, please return two originals to me at the address listed at the top of this letter.

Please let me know if you have any questions or concerns.

Sincerely,

WASCO COUNTY BOARD OF COMMISSIONERS

Kathy White
Executive Administrative Assistant

ENCLOSURES (3)

**By-Laws of the
Wasco County/City of The Dalles
Museum Commission**

ARTICLE I - NAME

Section I. The Name of the Organization shall be the Wasco County/City of The Dalles Museum Commission. Alternatively known as the Fort Dalles Museum Commission, and Fort Dalles Museum/Anderson Homestead Commission.

ARTICLE II – PURPOSE/MISSION STATEMENT

Section I. The purpose of the Museum Commission is to provide oversight of operations.

Section II. The Mission of Fort Dalles and Anderson Homestead is a Museum dedicated to the preservation, conservation, education and interpretation of the military, architectural, agricultural and diverse cultural history that is unique to the Wasco County area. *(Adopted by the Wasco County/City of The Dalles Museum Commission July 2, 2013)*

ARTICLE III – GOVERNING BODY

Section I. The Wasco County/City of The Dalles Commission members are volunteers appointed by Wasco County and the City of The Dalles.

1. The Commission shall consist of 7 representatives, as follows:
2. Three (3) are appointed by the City of The Dalles and must reside within the City limits.
3. Four (4) are appointed by Wasco County and must reside within Wasco County.
4. A Quorum, for the purpose of taking action, shall consist of 4 members.

Section II. The Commission's role is to determine the mission; set policy; develop long-range strategic plans and goals, work with the Museum Director and staff to further the museum's mission; monitor, assess and review performance and progress and manage museum resources effectively, with exception of such fiscal and personnel decisions that are reserved by Wasco County/City of The Dalles.

Section III.

1. The Commission may have up to two (2) Ex-Officio members, appointed by the Commission. They will have all the privileges and responsibilities of Commissioners, except for voting privileges.
2. The Museum Commission has an Ex-Officio position on the Historic Landmarks Commission.

3. The Anderson Homestead Foundation may have an Ex-Officio member on the Museum Commission

ARTICLE IV – MUSEUM COMMISSION OFFICERS

Section I. OFFICE POSITIONS AND TERMS

1. Officers of the Museum Commission include President, Vice-President, Secretary and Treasurer.
2. Officers are nominated and elected by the members of the Museum Commission.
3. Election of Officers will be held at the first meeting of the new calendar year. The new Officers will take office immediately upon election.
4. Officers are elected for a one year term.
5. Officers may serve consecutive terms without limits

ARTICLE V: DUTIES OF OFFICERS

Section I. President

1. The President shall be selected from the members of the Museum Commission in good standing and shall preside over all meetings of the museum commission.
2. The President shall have the usual powers and duties customarily vested in the office of President of the Commission and shall perform other duties as may be assigned to the President by the Commission.
3. Represent or send representative to City and County budget meetings
4. Act as liaison and spokesperson between the Museum Commission Board and other public or private entities, including Wasco County Commissioners and the City of The Dalles.
5. Make appointments as called for in the Bylaws and in the Policy.
6. The President of the Museum Commission shall have the authority to nominate and appoint ex-officio members, upon confirmation by vote of the museum commission.
7. Act as liaison between commission and staff.

Section II. Vice-President

1. The Vice-President shall carry out the duties of the President in the absence or incapacity of the President.
2. The Vice President shall oversee the Fort Dalles Museum Membership Committee.

Section III. Secretary

1. The Secretary shall keep permanent and complete records of all Museum Commission meetings and written records of correspondence.

Section IV. Treasurer

1. The treasurer shall monitor the care and custody of all funds and money of the organization.

ARTICLE VI – CONFLICTS OF INTEREST

Section I. Conflicts of interest by Commission members with regard to personal or family business and the Museum, both material and financial, must be disclosed.

ARTICLE VII – DUTY OF LOYALTY

Section I. Commission members should do their best to preserve the ideals and goals of the Museum Commission when serving on boards of other organizations that could create a conflict of loyalty for the Museum Commission or for Fort Dalles Museum.

ARTICLE VIII – DUTY OF TRUST

Section I: Every Museum Commission member should be familiar with the organizations governing documents, including: By-Laws and Policies, as well as the State of Oregon ORS statutes, City and County ordinance and policies, as provided by Wasco County and the City of The Dalles.

ARTICLE IX — TERM OF OFFICE

Section I.

1. Commission members shall serve a term of three (3) years or until the selection, qualification and acceptance of office duly appointed successors as chosen by the Board of Wasco County Commissioners or City of The Dalles City Council.
2. All terms for Wasco County positions begin on January 1. All terms for City of The Dalles positions begin on May 1
3. Terms are not limited
4. A letter of resignation is requested when a Commission member wishes to step down.
5. Vacancies as in (4) above or by death or revocation of a member by residency requirements or other issues shall be advertised by the authoritative body, Wasco County/ City of The Dalles, or those entities may use the recommendations of the Museum Commission for a replacement to fill a term.
6. The Museum Commission may record termination of a member, if the member has missed three (3) consecutive regular meetings without proper notification as determined by the Commission.

ARTICLE X – MEETINGS

Section I.

1. Meetings are open to the public and held monthly on the first Tuesday at 7pm, unless scheduled otherwise. Notices of meetings are publicly posted in Newspaper calendars and by other means as necessary.
2. Special meetings may be called as needed.
3. Executive Sessions may be called in accordance with the State of Oregon Public Records and Meeting Law.

ARTICLE XI – PERFORMANCE REVIEW – DIRECTOR/MANAGER

Section I.

1. The Museum Commission shall conduct a performance evaluation of the Museum Director and or Museum Manager(s) on an annual basis in accordance to the policy of Wasco County.
2. Results and discussion of such reviews will be part of an Executive Session. (ORS 192.660(2)(i).

ARTICLE XII. COMMITTEES

SECTION I.

1. In general, the Museum Commission will act as a Committee of the Whole in matters of Finance, By-Laws, Nominating, Fund Raising and Public Relations.
2. The Commission may form Committees, as needed and to assist with operation of the Museum. Such may include, but are not limited to: Collections, Publicity, Program, Personnel and or Volunteer recruitment, employee review, Membership, Buildings and Grounds, Maintenance and others that may help staff.

ARTICLE XIII. AMENDMENTS

Section I.

1. The Museum Commission may amend the By-Laws by a majority vote at a regular or special meeting, provided prior written notice has been given in accordance with the State of Oregon Public Records and Meetings Law.
2. The amendment will be the subject of two meetings. A vote shall occur at the second.

The By-Laws of the Wasco County / City of The Dalles Commission are hereby amended by a quorum of the Commission and approved by the Wasco County Commission and City of The Dalles City Council.

President	<u><i>Eric B. Gerson</i></u>	The Dalles City Council
Vice President	<u><i>Frank Neal</i></u>	Stephen Lawrence Mayor) _____
Secretary	<u><i>Heather Stophin</i></u>	Tim McGlothlin _____
Treasurer	<u><i>Frank Neal</i></u>	William Dick _____
Member	<u><i>Jessica Buce</i></u>	Dan Spatz _____
Member	<u><i>Marvin Pollock</i></u>	Linda Miller _____
Member	<u><i>Daleet Thompson</i></u>	Carolyn Wood _____

Wasco County Commission

Scott C. Hege (Chair) _____

Rod L. Runyon _____

Steven D. Kramer _____

SB
R. Runyon
S. D. Kramer

Dated: 8.6.2014



CITY of THE DALLES

313 COURT STREET
THE DALLES, OR 97058

PH. (541) 296-5481
FAX (541) 296-6906

AGENDA STAFF REPORT
CITY OF THE DALLES

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
September 22, 2014	Consent Agenda 10, A - B	N/A

TO: Honorable Mayor and City Council

FROM: Julie Krueger, MMC, City Clerk 

THRU: Nolan K. Young, City Manager

DATE: September 11, 2014

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

A. **ITEM:** Approval of September 8, 2014 City Council Meeting Minutes.

BUDGET IMPLICATIONS: None.

SYNOPSIS: The minutes of the September 8, 2014 City Council meeting have been prepared and are submitted for review and approval.

RECOMMENDATION: That City Council review and approve the minutes of the September 8, 2014 City Council meeting.

B. **ITEM:** Approval of August 14, 2014 Special City Council Meeting Minutes.

BUDGET IMPLICATIONS: None.

SYNOPSIS: The minutes of the August 14, 2014 special City Council meeting have been prepared and are submitted for review and approval.

RECOMMENDATION: That City Council review and approve the minutes of the August 14, 2014 special City Council meeting.

MINUTES

REGULAR COUNCIL MEETING
OF
SEPTEMBER 8, 2014
5:30 P.M.

THE DALLES CITY HALL
313 COURT STREET
THE DALLES, OREGON

PRESIDING: Mayor Steve Lawrence

COUNCIL PRESENT: Bill Dick, Carolyn Wood, Dan Spatz, Tim McGlothlin, Linda Miller

COUNCIL ABSENT: None

STAFF PRESENT: City Manager Nolan Young, City Attorney Gene Parker, City Clerk Julie Krueger, Public Works Director Dave Anderson, Administrative Intern Rich Wachter, Finance Director Kate Mast, Police Chief Jay Waterbury, Planning Director Dick Gassman, Engineer Dale McCabe, Administrative Fellow Daniel Hunter

CALL TO ORDER

Mayor Lawrence called the meeting to order at 5:30 p.m.

ROLL CALL

Roll call was conducted by City Clerk Krueger; all Councilors present.

PLEDGE OF ALLEGIANCE

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

APPROVAL OF AGENDA

It was moved by Wood and seconded by Dick to approve the agenda as presented. The motion carried unanimously.

SPECIAL RECOGNITION

Mayor Lawrence presented a Certificate of Recognition to Vanessa Ford, in honor of her award as the International Leo of the Year.

AUDIENCE PARTICIPATION

Eric Gross, 2700 West Seventh Street #40, The Dalles, urged the City Council to write to the State Legislature in support of a \$15 per hour minimum wage. He said it was approved in Seattle and was being phased in. Mr. Gross said minimum wage had not kept pace with the economy and should be increased.

CITY MANAGER REPORT

City Manager Young said he had met with the Mayor and Budget Committee Chair to develop topics for the budget workshops. Young said he would send out more detailed information in the near future, including proposed meeting dates.

Young said he would be joining the Community Outreach Team in Washington, D.C. and would be attending the League of Oregon Cities conference, both in September.

Mayor Lawrence asked if the City Manager had been working on the worker's compensation action plan as discussed at a recent special Council meeting. City Manager Young said he had just received the minutes of the Safety Committee and would be forwarding them to the Council. He said he had met with Mike Courtney and discussed progress on safety concerns and noted the Public Works Department was working on their plan.

CITY ATTORNEY REPORT

City Attorney Parker reviewed a memorandum regarding issues related to possible taxation of marijuana sales. It was the consensus of the City Council that the City Attorney delay additional work on the issues until the November election was decided, but that proposed regulations should be brought to Council for consideration in January.

CITY COUNCIL REPORTS

Councilor Wood reported the Historic Landmarks Commission had approved additional window repairs for the UCC Congregational Church.

Councilor McGlothlin said he would be attending City Hall Day in Bend, sponsored by the League of Oregon Cities. He said the Airport Board continued to focus on the hangar proposal for Life Flight and said he had attended the Traffic Safety Commission meeting. McGlothlin said the first part of the Gitchell Building painting project had been completed.

Councilor Dick said the QLife Agency had met on August 28 and was happy to report they had paid off their debt in full.

Councilor Spatz said he would be joining the Community Outreach Team trip to Washington, D.C. and discussed some of the topics that would be addressed. Spatz thanked City Clerk Krueger for her assistance with Sister City matters. He noted a delegation would be visiting The Dalles October 25 through 29 and he was looking for host families to help with housing.

Councilor Miller said she attended the August 19 Urban Renewal Advisory Committee meeting where the Committee forwarded two items for Agency approval at tonight's meeting.

Mayor Lawrence said he had attended a ceremony for the joining of Hood River and The Dalles Habitat for Humanity, attended a dinner to celebrate the coalition of Mid Columbia Medical Center and Oregon Health Sciences University, attended the Oregon Mayor's Conference, and welcomed the Cycle Oregon event to The Dalles.

CONSENT AGENDA

It was moved by Spatz and seconded by Miller to approve the Consent Agenda as presented. The motion carried unanimously. Items approved by Consent Agenda were: 1) approval of July 28, 2014 regular City Council meeting minutes; 2) approval of July 25, 2014 special City Council meeting minutes; 3) approval of request for refund of land use appeal fee; and 4) Resolution No. 14-027 concurring with the Mayor's appointments to various committees.

PUBLIC HEARINGS

Public Hearing to Receive Testimony Regarding Appeal of Minor Partition Conditions by Taner Elliott

Mayor Lawrence reviewed the procedures to be followed for the hearing. He asked if any Councilor wished to declare ex parte contact, bias, or conflict of interest. Hearing none, he asked if anyone in the audience wished to challenge the qualifications of any Councilor to participate in the hearing. No challenges were raised.

The staff report was reviewed by Planning Director Gassman. Gassman noted no comments had been received regarding the appeal. He explained that the conditions imposed by the Planning Commission were basically the same as for construction of a new dwelling. He explained that the application had originally been approved as a subdivision, and was later changed to a minor partition. Gassman said the typical requirement for street improvements was to sign a delayed development agreement.

Councilor Miller asked when the home had been constructed. Gassman said the minor partition had been approved in April, 2014, but the house had been built in 2013.

Planning Director Gassman said the delayed development agreement for the minor partition was less restrictive than what would have been required for the subdivision, only requiring improvements on the frontage where the new lot will be.

There was a discussion regarding whether a delayed development agreement was essentially the same as a non-remonstrance agreement. Councilor Dick said a non-remonstrance agreement would prohibit a property owner from objecting to a local improvement district and was not the same as a delayed development agreement.

Testimony of Appellant

Taner Elliott, 397 Summit Ridge Drive and Alex Hattenhauer, 122 West 17th Street, testified in favor of the appeal. Mr. Elliott said City staff had told him that no improvements would need to be installed until a second house was constructed. He said other development in the area had not been required to install storm sewer utilities and said the homes constructed by Habitat for Humanity were not required to put in curbs and sidewalks. Elliott said the Land Use Development Ordinance was a guideline and questioned whether the City had the authority to require someone to sign a delayed development agreement. He said that agreement was virtually the same thing as a non-remonstrance agreement and asked that the City Council grant his appeal of the condition to require him to sign a delayed development agreement.

Mayor Lawrence asked why he would not have to put in the improvements when the first home was constructed. Mr. Elliott said he believed the reasoning was because engineering had not been done for the street improvements and the Thompson Street local improvement district had been defeated.

Councilor Miller asked if all the lots for the minor partition faced Thompson Street. Elliott said some of the lots could have access from 15th and 16th Streets. He noted that he had also given a 25 foot easement to the City for future construction of 15th Street, though he would not have been required to do that under the terms of a minor partition.

Mr. Elliott showed the City Council a Mylar plat of the former subdivision, saying it had never been filed and was therefore null and void. He said the subcommittees of the Planning Commission were working on issues such as the development agreement, but the condition was keeping him from moving forward with the sale of the home. Elliott said He felt the City was discriminating against him.

Councilor Wood asked why the subdivision plat had never been completed. Elliott said he had decided to create a minor partition instead of a subdivision. Wood said the idea of requiring the delayed development agreements was so the people who purchased property would know up front that there were costs associated with future improvements. She said a building permit was the trigger to require the improvements to be put in.

Councilor Dick said the proposal seemed like a development and said the improvements should be required. Elliott said the house replaced an existing structure and there was already sewer available. He said they had paid the system development fees for the water.

Testimony in Favor of Appeal

None.

Testimony in Opposition of the Appeal

None.

Additional Questions

Councilor Spatz said the intent of the condition seemed clear that if a local improvement district was formed, that would be the time the applicant would be required to install the improvements for his property.

Mr. Elliott argued that the delayed development agreement had the same affect as a non-remonstrance agreement.

Councilor Dick disagreed, saying it still gave the property owner the opportunity to object to the local improvement district.

Elliott questioned why the Habitat for Humanity properties were not required to put in the same improvements on their lots.

City Manager Young said staff would take a look at their file and report to the Council what requirements were placed on the Habitat for Humanity properties. It was noted that the minor partition was not finalized yet because the agreement had not been signed.

Alex Hattenhauer said he wanted to challenge Councilor Dick's ability to hear the appeal because he was a resident of the area and he believed he had a bias.

City Attorney Parker said the challenge would have needed to be made prior to the hearing, when the Mayor asked for audience challenges.

Councilor McGlothlin asked if a different standard had been applied to the Habitat for Humanity property.

Councilor Wood said it was likely that they had also been required to sign a delayed development agreement.

It was the consensus of the City Council that additional information was needed to make a decision and that the hearing should be continued. The Council asked for information regarding the Habitat for Humanity application; how delayed development agreements were applied; to identify other properties in the area that had been developed; and to clarify what would trigger improvements to be made if someone had filed a delayed development agreement.

It was moved by Dick and seconded by McGlothlin to continue the public hearing to September 22, 2014 as part of the regular Council meeting agenda. The motion carried unanimously.

ACTION ITEMS

Resolution No. 14-024 Amending the City's Fee Schedule to Include a Fee for Use of the Commercial Dock

City Attorney Parker reviewed the staff report.

Mayor Lawrence asked if there was any public input. No input was provided concerning the fee.

It was moved by Wood and seconded by Spatz to adopt Resolution No. 14-024 amending the City's fee schedule to include a fee for use of the commercial dock. The motion carried unanimously.

Resolution No. 14-025 Granting Appeal #28-14 for Minor Partition #311-14 for Randy Hager for the Purpose of Modifying Certain Conditions of Approval

City Attorney Parker reviewed the staff report.

It was moved by Dick and seconded by Spatz to adopt Resolution No. 14-025 granting Appeal #28-14 for Minor Partition #311-14 for Randy Hager for the purpose of modifying certain conditions of approval. The motion carried unanimously.

General Ordinance No. 14-1336 Approving Re-zone and Comprehensive Plan Amendment for Wasco County

The staff report was reviewed by City Attorney Parker.

City Clerk Krueger read General Ordinance No. 14-1336 by title.

It was moved by Spatz and seconded by Dick to adopt General Ordinance No. 14-1336 approving a Re-zone and Comprehensive Plan amendment for Wasco County, by title. The motion carried unanimously.

General Ordinance No. 14-1335 Amending Certain Provisions of General Ordinance No. 06-1266 Governing Systems Development Charges

The staff report was reviewed by City Attorney Parker.

Mayor Lawrence said he did not recall discussing all of the changes at the July 28 meeting, only the change regarding the revised job language. City Attorney Parker said the other items had been brought to Council at a previous meeting, but there had not been any comments about the other changes.

City Clerk Krueger read General Ordinance No. 14-1335 by title.

It was moved by Wood and seconded by Spatz to adopt General Ordinance No. 14-1335 amending certain provisions of General Ordinance No. 06-1266 governing systems development charges, by title. The motion carried; Miller voting no.

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Resolution No. 14-026 Declaring the Intention of the City Council to Construct Improvements, Establishing a Local Improvement District and Directing Notice and Publication for West Seventh Street Extension Improvements

Engineer Dale McCabe reviewed the staff report.

Mayor Lawrence asked if staff had concerns regarding safety of children around the mobile home park, with the addition of buses driving down the street. Engineer McCabe said there was a wall, cur line, and five foot bike lane before the travel lane so he believed there was a good buffer for residents and pedestrians in the area.

Mayor Lawrence said he had visited the area and notice excavation had already begun. McCabe said the excavation was associated with Northwest Natural Gas Company who was installing a new line prior to street work commencing.

It was moved by Wood and seconded by McGlothlin to adopt Resolution No. 14-026 declaring the intention of the City Council to construct improvements, establishing a local improvement district and directing notice and publication for West Seventh Street extension improvements. The motion carried; Miller voting no.

Councilor Spatz questioned why Councilor Miller was opposed. Miller said she had concerns about pedestrian safety.

ADJOURNMENT

Being no further business, the meeting adjourned at 7:19 p.m.

Submitted by/
Julie Krueger, MMC
City Clerk

SIGNED: _____

Stephen E. Lawrence, Mayor

ATTEST: _____

Julie Krueger, MMC, City Clerk

MINUTES

SPECIAL COUNCIL MEETING
OF
AUGUST 14, 2014
5:30 P.M.

THE DALLES CITY HALL
313 COURT STREET
THE DALLES, OREGON

PRESIDING: Mayor Steve Lawrence

COUNCIL PRESENT: Bill Dick, Carolyn Wood, Dan Spatz, Tim McGlothlin, Linda Miller

COUNCIL ABSENT: None

STAFF PRESENT: City Manager Nolan Young, City Attorney Gene Parker, City Clerk Julie Krueger, Public Works Director Dave Anderson, Administrative Fellow Daniel Hunter, Finance Director Kate Mast, Police Chief Jay Waterbury

CALL TO ORDER

Mayor Lawrence called the meeting to order at 5:35 p.m.

ROLL CALL

Roll call was conducted by City Clerk Krueger; all Councilors present.

DISCUSSION REGARDING PROPOSED FUEL TAX BALLOT MEASURE

Mayor Lawrence noted a Resolution was provided if the Council wished to move forward with placing a measure on the November ballot. He noted that Wasco County had decided not to move forward with a road district measure at this time. Lawrence noted that the Association of Oregon Counties and the League of Oregon Cities were both moving transportation funding forward to the Legislature.

MINUTES (Continued)
Special Council Meeting
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Page 2

City Manager Young said it was a top priority of the League of Oregon Cities. He said the proposal included a five cent fuel tax increase, indexed to the consumer price index or some other economic index, continued development of a transportation user fee, license plate fee increases, a proposal to continue the current split of 50%/30%/20% for new revenues, and an increase in the Small City Allotment fund from \$1 million to \$5 million.

Mayor Lawrence said funding for streets was the most discussed issue at the recent Mayor's conference. He said there was a good discussion about allowing funding for new construction to be used for streets if they were in fair to poor condition.

Councilor Wood said she had spoken with a State Legislator from Hood River and he said a committee had been established to study the transportation funding issue. She noted in the national City/County magazine, that 16 states west of the Mississippi River used sales tax to fund road maintenance.

Mayor Lawrence said he had heard a lot of opposition to placing a measure on the November ballot, but had also received many comments saying it should be on the ballot to allow the voters a chance to decide.

Councilor Spatz said he did not support placing a measure on the ballot at this time. He said he would prefer to continue to work with Wasco County and the cities within the County to develop a solution. Spatz read comments for the record (attached), which addressed causes of the declining funds for road maintenance and urged Wasco County and the cities with the County to work together to develop a county-wide funding proposal for the voters to consider.

There was a discussion regarding whether more than one issue could be included in a ballot measure. City Attorney Parker was asked to investigate the single subject rule.

Mayor Lawrence said it was his understanding that the primary reason Wasco County residents were opposed to the road district was because the tax rate would be too high with the cities of The Dalles and Mosier opting out of the district.

Chuck Covert said that was correct and many believed the City residents should pay for maintenance of County roads. Covert said he had pointed out that most of the property taxes paid in Wasco County were within the city limits and they did contribute to road maintenance through taxes.

Wasco County Administrator Tyler Stone agreed, saying the high tax rate was the biggest concern.

Councilor Dick said most communities in the State were having the same problem with funding for street maintenance. He said it was crucial for the Legislature to address the matter.

Mayor Lawrence said the Council should also consider the option of re-prioritizing the existing budget, discuss use of franchise fees, and other ways to help fund maintenance concerns.

Councilor Miller asked if the enterprise zone fees from Google would be available next year. City Manager Young said if they completed the project before December 31, funds would be available in 2015. He said if it was after that date, the funds would be available the following year. It was noted the amount was \$119,000.

Councilor Dick said he liked the idea of a universal solution, but would also be in support of placing a measure on the ballot.

Mayor Lawrence said he had spoken with the County Commissioners and they were committed to partner with the City to find a solution that would be fair for everyone.

City Manager Young pointed out that over 56% of the County residents live within the city limits, so pay over half of the county taxes.

Councilor Wood said she may be uncomfortable proposing a three cent local tax increase if the State was going to implement a five cent tax.

It was moved by Spatz and seconded by Wood to work jointly with Wasco County and the cities within the County to develop a proposal for road maintenance funding county-wide, to be proposed to the voters at a Spring election.

Jay Waterbury said he would like the Council to allow the citizens to vote on the fuel tax increase. He said the annual cost would be minimal and believed there would be support for it.

Tyler Stone noted that the County may proceed with an advisory ballot in November, asking voters what types of options would be supported.

Councilor McGlothlin said people on fixed incomes were faced with many increases and a fuel tax increase would be one more thing added to their budgets. He said it as premature to consider a local fuel tax increase until it was known what the Federal and State tax proposals would be. McGlothlin said he would prefer to look at other ways to fund street maintenance than a tax.

MINUTES (Continued)
Special Council Meeting
August 14, 2014
Page 4

The motion to work jointly with Wasco County and the cities within the County to develop a proposal for road maintenance funding county-wide, to be proposed to the voters at a Spring election was voted on and carried; Miller and McGlothlin voting no.

ADJOURNMENT

Being no further business, the meeting adjourned at 6:30 p.m.

Submitted by/
Julie Krueger, MMC
City Clerk

SIGNED:

Stephen E. Lawrence, Mayor

ATTEST:

Julie Krueger, MMC, City Clerk

First and foremost, taxpayers want to see cooperation among public agencies. The City of The Dalles and Wasco County have a strong record of such cooperation, and the difficult issue of roads maintenance presents an opportunity to build upon that record. I propose the following as a basis for discussion:

1. Declining timber revenues are at the heart of the problem from a county perspective. Historically, the county received a share of federal timber harvest revenues; when harvests declined because of environmental restrictions, counties received off-setting compensation, but this has now all but been eliminated. This was no "subsidy:" vast tracts of the Pacific Northwest are under federal ownership and generate no local revenue except through timber harvest. The timber harvest issue must be resolved by Congress. Each year's wildfire season demonstrates the increasing urgency of this challenge.

2. Timber revenues do not benefit city roads funding. Timber revenues have historically been directed to county roads and the Common Schools Fund.

3. Creation of a roads taxing district is untenable, given its negative effect on non-school taxing districts through compression.

4. Compression will be reduced through an expanded tax base, which requires economic development. Urban renewal is a vital tool of economic development. The urban renewal district represents a pact between the City of The Dalles, taxpayers and downtown businesses: That urban renewal funds will be invested in projects which increase the net tax value of the district, generating jobs, improving the appearance of downtown, and thus fostering economic development. Urban renewal has benefitted The Dalles through Second Street renovation, Union Street portal, maritime dock, the Civic Auditorium, Second Courthouse, Commodore restoration, St. Peter's Landmark improvements and many other worthy projects. Upcoming projects including Third Street renovation, Granada block and Washington Street will build upon this record of success. For these reasons urban renewal funds should not be diverted into roads maintenance. Roads maintenance is not urban renewal.

5. City roads are in decline because we have neglected to invest in infrastructure. We face a similar challenge with our water system: We postponed water rate increases for more than a decade, despite deteriorating infrastructure, and now we are paying the price through annual, substantial rate increases. Fundamental infrastructure – water, roads and sewer -- must be maintained. These costs cannot be postponed or they only become more expensive.

6. The gas tax is a logical revenue source for roads maintenance, since it is a fee that affects those who use the resource. However, the tax has not been increased since 1987 and has not been adjusted for inflation. The current tax of 3 cents is well within the routine weekly fluctuation price of gas.

7. Gas tax revenues are anticipated to decline as vehicle fuel efficiency increases.

8. Gas taxes can now only be collected primarily within the City of The Dalles because ~~there are no other city stations~~ there is only one other station, in Maupin. This can change if stations are developed in Dufur and Mosier and Maupin, as they should be.

With these factors in mind, I propose that the Cities of Wasco County and Wasco County present a county-wide joint funding proposal to voters with the following components:

1. That a county-wide gas tax range be established, replacing the current 3 cents per gallon collected within the City of The Dalles. Revenues collected within the City of The Dalles and other Wasco County cities as new stations are established would be distributed county-wide for the dedicated purpose of city and county roads maintenance.
2. That a county-wide vehicle registration fee range be established, proceeds from which will be distributed county-wide for the dedicated purpose of city and county roads maintenance.
3. That the combined initial rates of the gas tax and registration fee shall be set at such an amount as to address urgent backlogged road repair in the cities and county, and that the combined rate shall then be adjusted downward to equal the projected long-term annual maintenance cost of city and county roads.
4. That the City of The Dalles and Wasco County work jointly with the State of Oregon to identify technical and financial resources needed to re-establish gas stations in Mosier, Maupin and Dufur, and to establish a network of EV public charging stations across Wasco County.
5. That an electrical transmission fee be collected at EV public charging stations at such time as these stations are established for the dedicated purpose of city and county roads maintenance.
6. That the cities and county work jointly with cities and counties throughout the bi-state Columbia Gorge region to encourage Congress to re-establish sustainable timber harvest and thus return essential revenues for roads maintenance and the Common Schools Fund.
7. That, when timber revenues are re-established at historic levels, the combined rates of the proposed gas tax and registration fee be adjusted downward to reflect the benefit of such new revenue, provided that Wasco County agree to disburse a proportionate share of its timber revenues, when these become available, to the cities of Wasco County for the dedicated purpose of city roads maintenance.



CITY of THE DALLES

313 COURT STREET
THE DALLES, OREGON 97058

(541) 296-5481 ext. 1122
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AGENDA STAFF REPORT

CITY OF THE DALLES

MEETING DATE:	AGENDA LOCATION:	AGENDA REPORT #
September 22, 2014	Public Hearings 11, A	14-067

TO: Honorable Mayor and City Council

FROM: Richard Gassman, Planning Director

THRU: Nolan K. Young, City Manager *nyj*

DATE September 22, 2014

ISSUE: Quasi-Judicial public hearing to hear appeal APL 30-14 by Elk Horn Development from decision of the Planning Commission regarding Minor Partition MIP 312-14, continued from September 8.

RELATED CITY COUNCIL GOAL: None.

PREVIOUS AGENDA REPORT NUMBERS: 14-066.

BACKGROUND: The applicant submitted an application for a subdivision to divide its lot at 1611 Thompson Street into five lots. That application was approved by staff with conditions. The applicant then removed the existing house and obtained a building permit for a new house. After the house was built, the applicant dropped plans for the subdivision and submitted an application for a minor partition. This was approved with conditions similar to the conditions on the subdivision. The applicant appealed the approval to the Planning Commission. The Planning Commission granted the appeal and modified the conditions of approval. The applicant has now appealed the decision of the Planning Commission to the City Council. The Council held a public hearing on September 8 and continued the hearing to September 22 to obtain additional information.

PROCESS: This is a quasi-judicial de novo public hearing. The Council has the ability to make any changes in the conditions of approval that are warranted by the evidence. The Council's decision is the final decision at the local level.

ISSUE: The issue is whether, under the circumstances of this case, the City can require a Delayed Development Agreement (DDA) for public improvements on Thompson Street. The applicant is asking the Council to eliminate this condition of approval, which is condition number 7 in the approval by the Planning Commission.

DISCUSSION: What would have been a straightforward minor partition request is complicated by the construction of the new house. The Land Use and Development Ordinance provides that a voluntary replacement of a dwelling is treated the same as the initial construction of a dwelling. Prior to filing the subdivision request, this property was developed with one single family dwelling. In 2012 the applicant filed an application for a subdivision which was approved. The applicant then submitted a building permit to replace the existing dwelling. This was also approved; the older dwelling was demolished and the new dwelling built. No conditions of approval were required for this building permit as the conditions were already covered in the approved subdivision application.

After the new house was built, the applicant dropped plans for a subdivision and applied for a minor partition to create three lots. The minor partition was approved, with conditions. That approval was appealed to the Planning Commission. The Commission granted the appeal and approved the minor partition with modified conditions. The Commission retained the requirement for a DDA to cover public improvements for the length of the, as yet, not specified width of the future lot on Thompson which contains the new house.

If the applicant had completed the minor partition process, then demolished the older house and applied for a permit to build the new house, the same condition of approval would have been required. It is the construction of the dwelling which has brought on the requirement of the DDA, not the minor partition.

ADDITIONAL INFORMATION: At the hearing on September 8, the Council asked for additional information. One item of information was related to public improvement requirements for the Habitat for Humanity project on East 16th Street. As part of that development, on June 27, 2011, Habitat paid the City \$18,565.00 in lieu of public improvements. This was determined using the costs adopted by the City for payment into the development fund instead of installing the improvements, or signing a DDA.

In general, DDAs are used when public improvements are warranted, but the City determines that the improvements should not be installed at the time of the development. The agreement will have language to indicate when the improvements are to be put in. There will be a notice to the property owner and a period of time, often 180 days, to actually install the improvements. There are several differences between a DDA and a Waiver of Remonstrance. The Waiver is tied to the formation of a local improvement district (LID) and has no relevance otherwise. The Waiver prevents the property owner from legally opposing the formation of the LID. The DDA is not part of an LID and has criteria to trigger the installation of the deferred improvements written into the agreement itself. The improvements can be required whether or not an LID is created. The DDA can be structured to fit the circumstances of individual properties, while the Waiver is a standard form.

There have been few other developments near the Elkhorn property in recent years, but those that partitioned their property prior to changes in the LUDO, and those that have built dwellings have been required to install public improvements, pay into the fund, or sign a Delayed Development Agreement. Examples include requirements for public improvements installations at 2910 and 3002 Old Dufur Road, 2414 and 2420 East 13th Street, the payment into the fund by Habitat for Humanity for the project on East 16th Street, and DDAs signed for the developments at 2507 East 12th Street and 2606 East 10th Street.

BUDGET IMPLICATIONS: The only potential budget implications would be due to future improvements on Thompson Street and to what extent this property would participate in those improvements.

ATTACHMENTS:

1. Resolution No. P.C. 541-14 of the Planning Commission's action, dated July 17, 2014.
2. Appeal from decision of the Planning Commission filed August 1, 2014.

ALTERNATIVES:

- A. ***Staff Recommendation. Move to deny the appeal and leave the conditions of approval as set in Planning Commission Resolution No. P. C. 541-14, and direct staff to prepare a resolution setting forth the Council's decision based upon findings of fact and conclusions of law.***
- B. Move to grant the appeal for the purpose of deleting the condition requiring the signing of a Delayed Development Agreement for the frontage associated with the lot with the new dwelling, and direct staff to prepare a resolution setting forth the Council's decision based upon findings of fact and conclusions of law.
- C. Move to grant the appeal for other changes as determined appropriate by the Council, and direct staff to prepare a resolution setting forth the Council's decision based upon findings of fact and conclusions of law.



CITY of THE DALLES

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AGENDA STAFF REPORT

Meeting Date	Agenda Location	Agenda Report #
September 22, 2014	Action Items 12, A	14-068

TO: Honorable Mayor and City Council
FROM: Dan Durow; Enterprise Zone Manager
THRU: Nolan K. Young, City Manager *NKY*
DATE: September 3, 2014

ISSUE: Decision on the Enterprise Zone, (4) four or (5) five-year “extended abatement” for Integrated 3D LLC, 3721 Klindt Drive, The Dalles, Oregon, 97058.

BACKGROUND: Integrated 3D LLC has applied for an “extended abatement” period of five (5) years under the Enterprise Zone program. The standard three-year abatement period can be extended to four or five years if certain qualifications are met and with the approval of the zone sponsors; City of The Dalles and Wasco County. Beside all the regular qualifications, during each of the five years starting with the first year of qualification, the average annual compensation for new employees must be at least 150 percent of the county average wage. The 2012 Wasco County average annual payroll rate (latest available) is \$33,005, of which 150 percent equals \$49,508.

The zone sponsors can require additional local requirements for the additional 4th and 5th years. The Oregon Revised Statutes (ORS’s) and the Oregon Administrative rules (OAR’s) provide the guidelines by which these additional requirements can be placed on the applicant. One important provision is that the sponsor must be consistent with all businesses in its application of the additional requirements as well as the pattern of approving or not approving the extended abatement period. However, the requirements may be differentiated among relevant business firms; for example, the size of the investment or the firm’s type of industry. The differentiation must be based upon definable characteristics, consistently used, and explained in terms of a public purpose.

The City and County did approve one, five-year extended abatement agreement in the first ten-year Enterprise Zone Designation from 1986 to 1996, which was for Northwest Aluminum

Specialties. In the second ten-year Enterprise Zone Designation from 1996 to 2007, there was again one business approved for a five-year extended abatement agreement, which was Homeshield Corporation. However, Homeshield Corporation was not able to qualify for the additional 4th and 5th years because they did not meet the 150 percent wage requirement in the first year of the exemption. They did qualify for, and took advantage of, the standard 3-year exemption.

In the third, and current, ten-year Enterprise Zone Designation, from 2007 to 2017, there has been one business approved for a five-year extended abatement agreement, Columbia Phytotechnology, LLC. However, they were also not able to qualify for the extended abatement because they did not meet the 150 percent wage requirement during the first year.

Design LLC, was approved twice under a different category of extended abatement called “long-term”, which is a 7 to 15-year abatement period. In the agreements with Design LLC, they are required to contribute annually for all fifteen years to support local institutions and projects. Although the Design LLC development is unusual and the firm is clearly definable and different from Northwest Aluminum Specialties, Homeshield Corporation, and Columbia Phytotechnology, it does indicate that some requirement for supporting community needs would be fair and equitable.

After the Columbia Phytotechnology, LLC application was received, a few City and County staff and elected representatives met to discuss a suggested policy of additional requirements for extended abatements. This was done in order to give the Enterprise Zone Manager some direction as to what would be acceptable for a standard approach to future extended abatement agreements.

During the City and County Enterprise Zone Designation application process in 2007, School District-21 asked that they be included in any negotiations when a business is asking for an extended abatement. This requirement was then added to the E.Z. Designation Order from the State. School District-21 was invited to participate in discussions with Columbia Phytotechnology but was unable to be at the initial meeting. The school district’s superintendent did submit comments later through emails and phone calls. There was general agreement on this approach.

Any “cash contribution” provided by a business through the Extended Abatement Agreement would be divided equally between the City and County. This money would be discretionary and could be spent as provided for in the Agreement. In addition, the City and County could spend it on goods or services provided by another taxing district.

The following table and chart of Tax Savings and Cash Contribution for the additional 4th and/or 5th years shows what the direction was for any future extended exemptions agreements.

TABLE

Tax Savings for each of years 4 and 5	Tax Savings Per Year	Total Cash Contribution Per Year
	\$0.00 to \$29,999	15 percent of tax savings
	\$30,000 to \$69,999	20 percent of tax savings
	\$70,000 to \$119,999	25 percent of tax savings
	\$120,000 to \$189,999	30 percent of tax savings
	\$190,000 to \$299,999	35 percent of tax savings
	\$300,000 to \$489,999	40 percent of tax savings
	\$490,000 to \$unlimited	45 percent of tax savings

However, Integrated 3D LLC has proposed alternative extended abatement requirements that would be implemented in the 4th and 5th years:

“Integrated 3D™ LLC is committed to being a catalyst to educational and entrepreneurial growth in The Dalles, Oregon. As a start-up with very limited resources and profit during its initial 5 years of business, Integrated 3D™ LLC will perform the following "sweat equity" form of cash contribution valued at \$3,000 - \$5,000 per "class" of students in time and materials:

In the fourth and fifth calendar years of the extended exemption period and prior to December 1st of those fourth and fifth years, the Firm shall contribute to the Zone Sponsors by holding three (3) annual STEM (science, engineering, technology and mathematics) open houses for one (1) class each from each of the middle and high schools in Wasco County, and with the Columbia Gorge Community College in which the students and teachers visit the Firm's operations and have instruction on the 3D printing machines and 3D CAD engineering and modeling. They will then go back to their classrooms and using a student version of SolidWorks, on which they have had and continue to have classroom instruction, create a 3D design that the Firm will print for free. To qualify, the STEM teacher and students must agree to obtain free SolidWorks software, have some preliminary instruction and continue instruction before submitting a design to print.”

This alternative proposal would be unique to Integrated 3D LLC. It is important to note that the Statutory provisions noted above about being consistent among businesses when approving extended abatements must be met. The City and County could find that although the contribution differs in form from the standard approach, the monetary value of the Integrated 3D LLC alternative approach actually exceeds the cash contribution required by the standard approach, which is acceptable by the company and therefore equitable with any future extended abatement requests that would use the standard approach. The tax savings on \$1,000,000 AV, (the amount of new tax value suggested in the Enterprise Zone Exemption Application) would be about \$22,000 per year not considering any depreciation value on the equipment. [$\$1,000,000AV \times \$22.00/\$1,000AV$]. The amount of the ‘cash contribution’ based upon the standard approach in the table would be 0.15 percent of the tax savings, or in this case about \$3,300 per year. The applicant’s alternative contribution value (determined by them) would be between \$9,000 and \$15,000 per year. [3 classes x \$3,000 to \$5,000 /class]

The County Commission and City Council as sponsors will need to approve the Agreement in consultation with SD-21 and pass respective resolutions containing the identical requirements. School District-21 was notified of these proposed requirements and asked to provide input. Staff will provide their comments at the meeting or a representative of SD-21 will be there to present verbal comments.

BUDGET IMPLICATIONS: The Enterprise Zone program is intended to be another tool to encourage economic development and jobs. Allowing an additional two years of tax exemption does provide greater incentive for those businesses that pay higher wages to expand or locate in Wasco County. Budget impacts will depend on the value of investments for each business.

STAFF RECOMMENDATION: Approve Resolution No. 14-028, approving the proposed Extended Abatement Agreement with Integrated 3D LLC, for (5) five years, and recommend approval to the Wasco County Commission.

Suggested motion: *Move to approve Resolution No. 14-028, approving the Extended Abatement Agreement with Integrated 3D LLC for (5) five years.*

ALTERNATIVES:

1. Approve the Agreement with Integrated 3D LLC for a (4) four-year extended tax abatement period. If this is the course of action, then the standard approach to any future requests would be to only allow a 4th year.
2. Modify the proposed Agreement in some other way and recommend that the County Commission approve the modified agreement.
3. Do not approve any extended abatement period. If this is the course of action, then the standard approach to any future requests would be to not allow any additional years of exemption.

THE DALLES/WASCO COUNTY ENTERPRISE ZONE III

EXTENDED ABATEMENT AGREEMENT

WITH

INTEGRATED 3D LLC

**WRITTEN AGREEMENT WITH THE SPONSORS OF THE
DALLES/WASCO COUNTY ENTERPRISE ZONE III AND
INTEGRATED 3D LLC, TO EXTEND PROPERTY TAX EXEMPTION TO
FIVE (5) CONSECUTIVE YEARS IN TOTAL FOR CAPITAL
INVESTMENT AND JOB CREATION.**

The sponsors of The Dalles/Wasco County Enterprise Zone III comprising the governing bodies of the City of The Dalles and Wasco County, Oregon, hereinafter the "Zone Sponsors" and Integrated 3D LLC, hereinafter the "Firm" do hereby enter into the Integrated 3D LLC, Extended Abatement Agreement, hereinafter the "Agreement"; an Agreement for extending the period of time in which the Firm shall receive an exemption on its proposed investments in qualified property in The Dalles/Wasco County Enterprise Zone III contingent on certain special requirements, under ORS 285C.160.

The Zone Sponsors and the Firm jointly acknowledge that, subject to approval of the application for authorization submitted on November 19, 2013, and the satisfaction of other requirements under ORS 285C.050 to 285C.250, the Firm is eligible for three years of complete exemption on its qualified property; that nothing in this Agreement shall modify or infringe on this three-year exemption or the requirements thereof, and that this Agreement becomes null and void if the Firm does not qualify for these three years of the exemption.

The Zone Sponsors extend the Firm's property tax exemption an additional two (2) years on all property that initially qualifies in The Dalles/Wasco County Enterprise Zone III in the assessment year beginning on January 1, 2015, and thereby sets a total period of exemption of five (5) consecutive years during which statutory requirements for the standard three-year enterprise zone exemption must also be satisfied and maintained.

CONFIRMATION OF STATUTORY PROVISIONS

In order to receive the additional two (2) years of enterprise zone exemption granted herein, the Firm agrees herewith under 285C.160(3)(a)(A) that for each year of the entire five-year exemption period, all of the Firm's new employees shall receive an average level of compensation equal to or greater than 150 percent of the county average annual wage, in accordance with the specific definitions and guidelines in Oregon

Administrative Rules (OAR), Chapter 123, Division 65 (123-065-41), which provides that:

1. Such compensation may include non-mandatory benefits that can be monetized;
2. The county average annual wage is set at the time of authorization, except as pursuant to ORS 285C.160(4), according to the 2012 Wasco County average annual payroll rate of \$33,005, of which 150 percent equals \$49,508 (current rate until 12-31-14). [*The actual rate will be based upon when the first year of exemption occurs and the latest rates published by the State.*]
3. Only employees working at jobs filled for the first time after the application for authorization but by December 31st of the first full year of the initial exemption and performed within the current boundaries of The Dalles/Wasco County Enterprise Zone III are counted; and
4. Only full-time, year-round and non-temporary employees engaged a majority of their time in the Firm's eligible operations consistent with ORS 285C.135 & 285C.200(3) are counted, regardless if such employees are leased, contracted for or otherwise obtained through an external agency or are employed directly by the Firm.

LOCAL ADDITIONAL REQUIREMENTS

For the Firm to receive the additional two (2) years of enterprise zone exemption granted herein, the Zone Sponsors and the Firm agree that the Firm shall do the following, in addition to statutory requirements, as reasonably requested by the Zone Sponsors under ORS 285C.160(3)(a)(B).

Integrated 3D™ LLC is committed to being a catalyst to educational and entrepreneurial growth in The Dalles, Oregon. As a start-up with very limited resources and profit during its initial 5 years of business, Integrated 3D™ LLC will perform the following "sweat equity" form of community contribution valued at \$3,000 - \$5,000 per "class" of students in time and materials:

In the fourth and fifth calendar years of the extended exemption period and prior to December 1st of those fourth and fifth years, the Firm shall contribute to the Zone Sponsors by holding three (3) annual STEM (science, technology, engineering, and mathematics) open houses for one (1) class each from each of the Wasco County middle and high schools, and Columbia Gorge Community College in which the students and teachers visit the Firm's operations and have instruction on the 3D printing machines and 3D CAD engineering and modeling. They will then go back to their classrooms and using a student version of SolidWorks, on which they have had and continue to have classroom instruction, create a 3D design that the Firm will print for free. To qualify, the STEM teacher and students must agree to obtain free SolidWorks software, have some preliminary instruction and continue instruction before submitting a design to print.

ACCEPTING FOR THE SPONSORS

City of The Dalles
Stephen E. Lawrence, Mayor

_____, 2014
Signature

Wasco County Commission
Rod Runyon, Commission Chair

_____, 2014
Signature

ACCEPTING FOR INTEGRATED 3D LLC

_____, Owner

Title: _____

_____, 2014
Signature

RESOLUTION NO. 14-028

A RESOLUTION APPROVING THE ENTERPRISE ZONE EXTENDED TAX ABATEMENT AGREEMENT BETWEEN THE SPONSORS OF THE DALLES/WASCO COUNTY ENTERPRISE ZONE III AND INTREGRATED 3D LLC

WHEREAS, the Oregon Legislative Assembly has adopted the provisions of ORS 285C.050 to 285C.250 to provide tax incentives to certified business firms that invest in a qualifying facility located within a non-urban enterprise zone in a county with chronically low income or chronic unemployment; and

WHEREAS, the City of The Dalles and Wasco County jointly sponsor a non-urban enterprise zone known as The Dalles/Wasco County Enterprise Zone III; and

WHEREAS, Integrated 3D LLC proposes to make investments in a production facility and to operate said production facility on real property located inside The Dalles/Wasco County Enterprise Zone III, which will employ a number of persons that will be compensated on average at a rate of at least 1.5 times that of the County average annual wage; and

WHEREAS, to facilitate the investment in the production facility by Integrated 3D LLC within The Dalles/Wasco County Enterprise Zone III, it is necessary for a written Agreement between Integrated 3D LLC and the City of The Dalles and Wasco County to be executed, and for the governing bodies of the City and County to adopt resolutions approving the property tax exemption for Integrated 3D LLC; and

WHEREAS, the City Council has reviewed the terms of the proposed Enterprise Zone Extended Tax Abatement Agreement between the City of The Dalles, Wasco County, and Integrated 3D LLC, and the City Council finds that approval of the Agreement is in the best interests of the citizens of The Dalles;

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

Section 1. Agreement Approved. The City Council hereby approves the Enterprise Zone Extended Tax Abatement Agreement between the City of The Dalles, Wasco County, and Integrated 3D LLC. The Mayor is authorized to execute the agreement on behalf of the City.

Section 2. Effective Date. This Resolution shall be considered effective as of September 22, 2014.

PASSED AND ADOPTED THIS 22nd DAY OF SEPTEMBER 2014

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

AND APPROVED BY THE MAYOR THIS 22nd DAY OF SEPTEMBER 2014

Stephen E. Lawrence, Mayor

Attest:

Julie Krueger, MMC, City Clerk