



Regular Session

RS

Milwaukie City Council

COUNCIL REGULAR SESSION

AGENDA

City Hall Council Chambers, 10501 SE Main Street
 & Zoom Video Conference (www.milwaukieoregon.gov)

FEBRUARY 18, 2025

Council will hold this meeting in-person and by video conference. The public may come to City Hall, join the Zoom webinar, or watch on the [city's YouTube channel](#) or Comcast Cable channel 30 in city limits. For Zoom login visit <https://www.milwaukieoregon.gov/citycouncil/city-council-regular-session-1>.
 Written comments may be delivered to City Hall or emailed to ocr@milwaukieoregon.gov.

Note: agenda item times are estimates and are subject to change.

Page #

1. **CALL TO ORDER** (6:30 p.m.)
 - A. **Pledge of Allegiance**
 - B. **Native Lands Acknowledgment**

2. **ANNOUNCEMENTS** (6:31 p.m.) **2**

3. **PROCLAMATIONS AND AWARDS**
 - A. **Celebrating Black Excellence Month – Proclamation** (6:35 p.m.) **6**
 Staff: Gabriela Santoyo Gutierrez, Equity & Inclusion Coordinator

4. **SPECIAL REPORTS**
 - A. **None Scheduled.**

5. **COMMUNITY COMMENTS** (6:40 p.m.)
 To speak to Council, please submit a comment card to staff. Comments must be limited to city business topics that are not on the agenda. A topic may not be discussed if the topic record has been closed. All remarks should be directed at the whole Council. The presiding officer may refuse to recognize speakers, limit the time permitted for comments, and ask groups to select a spokesperson. **Comments may also be submitted in writing before the meeting, by mail, e-mail (to ocr@milwaukieoregon.gov), or in person to city staff.**

6. **CONSENT AGENDA** (6:45 p.m.)
 Consent items are not discussed during the meeting; they are approved in one motion and any Council member may remove an item for separate consideration.
 - A. **Approval of Council Meeting Minutes of:** **8**
 1. **January 21, 2025, work session, and**
 2. **January 21, 2025, regular session.**
 - B. **Adoption of the 2025 Council Committee Assignments – Motion** **16**
 - C. **Authorization of a Mailing Services Contract – Resolution** **20**
 - D. **Authorization to Reinstate a Grant for Body Worn Cameras – Resolution** **23**
 - E. **Authorization of a Financing Contract for Per- and Polyfluoroalkyl Substances (PFAS) Feasibility Study – Resolution** **26**
 - F. **Removal of the Current and Appointment of a New Island Station Neighborhood District Association (NDA) Representative to the Public Safety Advisory Committee (PSAC) – Resolution** **50**

- 7. **BUSINESS ITEMS**
 - A. **None Scheduled.**
- 8. **PUBLIC HEARINGS**
 - A. **Senate Bill 1537 Code Amendments Adoption – Ordinance (6:50 p.m.) 54**
Staff: Vera Koliass, Senior Planner
 - B. **Sparrow Site Surplus Property Declaration – Resolution (7:30 p.m.) 71**
Staff: Mandy Byrd, Project Development Coordinator
- 9. **COUNCIL REPORTS**
 - A. **Legislative and Regional Issues – Discussion (7:45 p.m.) 80**
Staff: Scott Stauffer, City Recorder
- 10. **ADJOURNMENT (8:00 p.m.)**

Meeting Accessibility Services and Americans with Disabilities Act (ADA) Notice

The city is committed to providing equal access to public meetings. To request listening and mobility assistance services contact the Office of the City Recorder at least 48 hours before the meeting by email at ocr@milwaukieoregon.gov or phone at 503-786-7502. To request Spanish language translation services email espanol@milwaukieoregon.gov at least 48 hours before the meeting. Staff will do their best to respond in a timely manner and to accommodate requests. Most Council meetings are broadcast live on the [city's YouTube channel](#) and Comcast Channel 30 in city limits.

Servicios de Accesibilidad para Reuniones y Aviso de la Ley de Estadounidenses con Discapacidades (ADA)

La ciudad se compromete a proporcionar igualdad de acceso para reuniones públicas. Para solicitar servicios de asistencia auditiva y de movilidad, favor de comunicarse a la Oficina del Registro de la Ciudad con un mínimo de 48 horas antes de la reunión por correo electrónico a ocr@milwaukieoregon.gov o llame al 503-786-7502. Para solicitar servicios de traducción al español, envíe un correo electrónico a espanol@milwaukieoregon.gov al menos 48 horas antes de la reunión. El personal hará todo lo posible para responder de manera oportuna y atender las solicitudes. La mayoría de las reuniones del Consejo de la Ciudad se transmiten en vivo en el [canal de YouTube de la ciudad](#) y el Canal 30 de Comcast dentro de los límites de la ciudad.

Executive Sessions

The City Council may meet in executive session pursuant to Oregon Revised Statute (ORS) 192.660(2); all discussions are confidential; news media representatives may attend but may not disclose any information discussed. Final decisions and actions may not be taken in executive sessions.



RS Agenda Item

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Announcements

Native Lands Acknowledgment

The City of Milwaukie respectfully acknowledges that our community is located on the ancestral homeland of the Clackamas people. In 1855, the surviving members of the Clackamas signed the Willamette Valley Treaty also known as the Kalapuya etc. Treaty with the federal government in good faith. We offer our respect and gratitude to the indigenous people of this land.



Balfour Park Grand Opening
Sat., Mar. 8 (12 – 2 PM)



Bowman-Brae Park Grand Opening
Sat., Mar. 8 (12:30 – 2:30 PM)



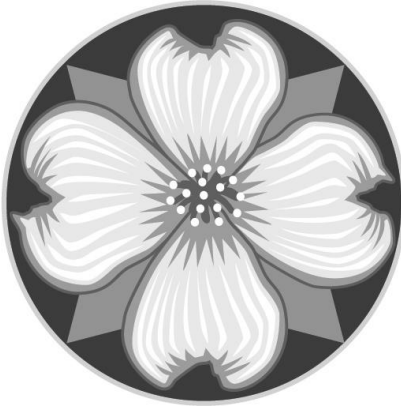
Scott Park Grand Opening
Sat., Mar. 8 (1:30 – 3:30 PM)
Formal remarks at 2 PM

Mayor's Announcements – February 18, 2025

- **Annual Board and Committee Recruitment – Application Deadline April 1**
 - Online form to apply is at onboard.milwaukieoregon.gov
 - Questions, send an email to ocr@milwaukieoregon.gov or call 503-786-7502
- **Free Naloxone Training – Thu., Feb. 20 (6 – 7:30 PM)**
 - Learn how to save lives including information about the overdose crisis, risk factors, signs and symptoms of an overdose and more
 - Ledding Library (Community Room), 10660 SE 21st Ave.
- **Kellogg Creek Stewardship Day – Sat., Feb. 22, (9 AM – 12 PM)**
 - Volunteers will first spend time inside learning about the Kellogg Creek Restoration and Community Enhancement Project before heading outside to work on removing invasive species
 - Milwaukie Presbyterian Church, 2416 SE Lake Rd.
- **Business Open Door Session – Fri., Feb. 28 (9 - 10 AM)**
 - Own or operate a business and want to share what's on your mind with city leaders?
 - Stop by to chat with Mayor Lisa Batey and Assistant City Manager Joseph Briglio
 - No sign-up is necessary
 - City Hall (3rd Floor Council Chambers), 10501 SE Main St.
- **Johnson Creek Watershed Wide Event – Sat., Mar. 1 (8:45 AM – 12 PM)**
 - Volunteer at JCWC's largest planting event of the year
 - Eight work parties throughout the watershed to choose from
 - Learn more and register to participate at www.jcwc.org and then go to Events
- **Grand Opening Celebrations for Three New Parks – Sat., Mar. 8**
 - Save the date for these events. More details to come.
 - Balfour Park (3103 SE Balfour St.), 12 - 2 PM
 - Bowman-Brae Park (4267 SE Bowman St.), 12:30 – 2:30 PM
 - Scott Park (10660 SE 21st Ave.), 1:30 – 3:30 PM (Formal remarks at 2 PM)
- **LEARN MORE AT WWW.MILWAUKIEOREGON.GOV OR CALL 503-786-7555**

**Our fair city small
Yet filled with hearts that are big
Supportive, loving**
-Keala Tobiassen-

Share your Milwaukie Haiku!
Email yours to bateyl@milwaukieoregon.gov



RS Agenda Item

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Proclamations & Awards

PROCLAMATION

WHEREAS each year, since 1986, the United States observes Black History Month, a month-long celebration every February to acknowledge the struggles and accomplishments of Black and African Americans for racial justice that stirred the very conscience of our nation, and

WHEREAS Black Americans for generations have courageously led the pursuit of justice and equality, from Harriet Tubman to Reverend Doctor Martin Luther King, Jr. to bell hooks and beyond, and

WHEREAS Black Americans have made significant contributions and sacrifices to our nation's economic, educational, political, artistic, literary, scientific, and technological advancements, despite historical and current injustices, and

WHEREAS in Milwaukie, we celebrate the contributions of Black Americans who have been active in our community, including Jay Jones, president and CEO North Clackamas Chamber of Commerce, Seyona Belai of Zana Construction, entrepreneurial boxing promoter George Moore, and Milwaukie Pastry Kitchen proprietors Hurtis and Dorothy Hadley, among others, and

WHEREAS our nation struggles to overcome the systemic racism that results in persistent inequality, the importance of a systemic change and greater dialogue to promote understanding, break down barriers, build community is essential, and

WHEREAS as individuals, we must learn more about the history of Black Americans generally, and in Oregon in particular, and work to build a Milwaukie where every person has equitable access to educational and employment opportunities, and housing.

NOW, THEREFORE, I, Lisa Batey, Mayor of the City of Milwaukie, a municipal corporation in the County of Clackamas, in the State of Oregon, and with the full support and sponsorship of the City Council do hereby proclaim **February 2025** to be **CELEBRATING BLACK EXCELLENCE MONTH** in Milwaukie and recommend its observance with appropriate programs and activities.

IN WITNESS WHEREOF, and with the consent of the City Council of the City of Milwaukie, I have hereunto set my hand on this 18th day of **February 2025**.

Lisa M. Batey, Mayor

ATTEST:

Scott S. Stauffer, City Recorder



RS Agenda Item

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Community Comments

Scott Stauffer

From: spleno1 <huskyhooligan@gmail.com>
Sent: Tuesday, February 18, 2025 1:25 PM
To: OCR
Subject: Attention Scott
Attachments: 54 wide street.jpg; 20 foot wide drive.jpg; screenshot-google-maps-place-5188-SE-International-Way-Milwaukie-OR-97222-45-4292029-122-6118253-671m-data-3m1-1e3-4m15-1m8-3m7-1s0x54957504f166c2e7-0x3ea2893dfc6e25db-2s4920-SE-Lake-Rd-Milwaukie-OR-97222-3b1-8.png

This Message originated outside your organization.

Hello Scott,

Thanks for your help today. Attached are a couple photos I would like to share tonight with the city council. The photo that shows the large arial, it would be good if we could zoom a tiny bit.

Let me know if there's anything further I need to do.

Thanks
Gene











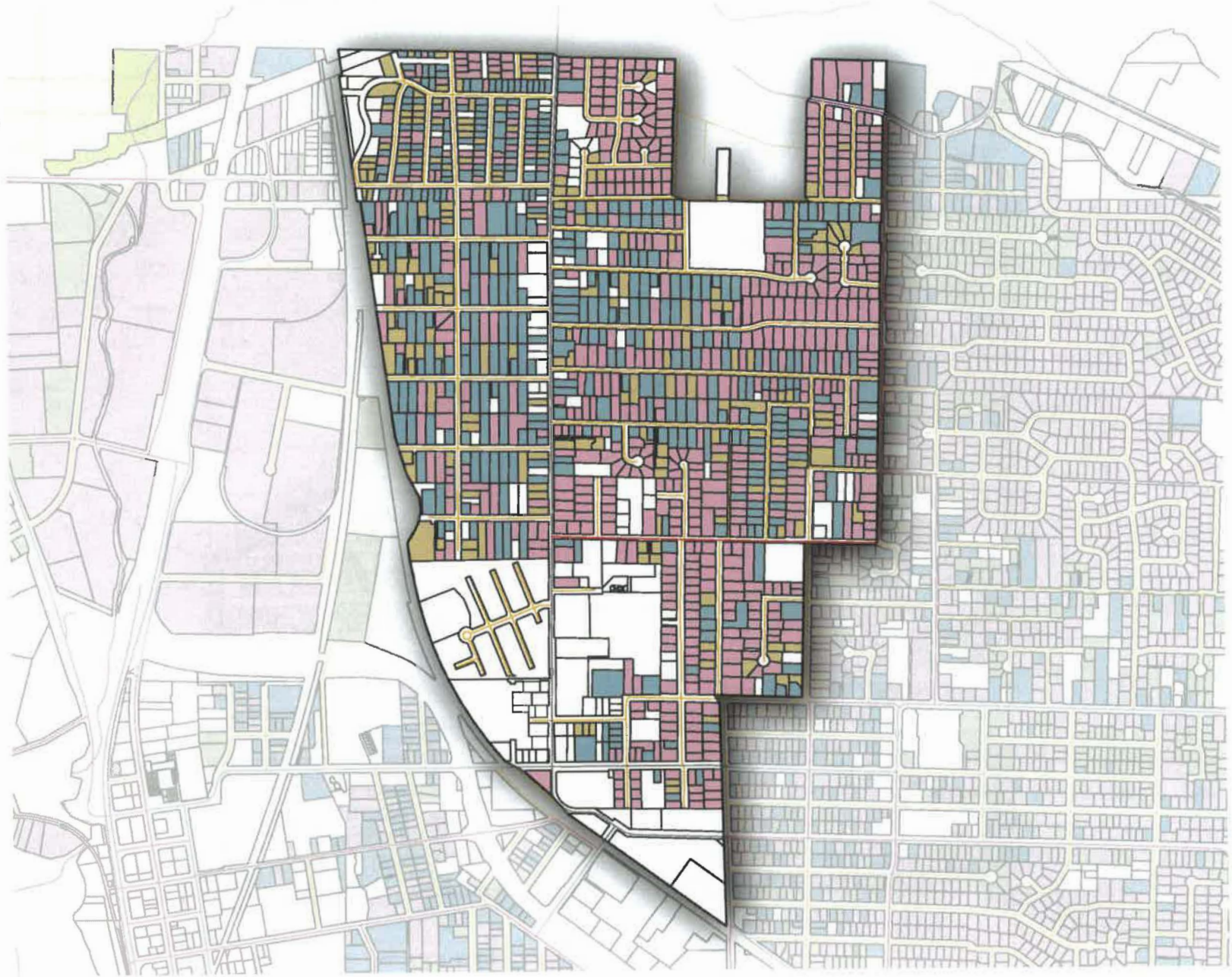
Ardenwald NDA

The map shows the property lot locations. The date of home/building construction, when known, is color-coded. The data is based on Clackamas County Tax Records.

Locations in white have no given construction date. Records from 1850-1938 are often not precisely known.

Period of Building Construction





-  No Date Specified
-  1850-1938
-  1939-1975
-  Over 1973

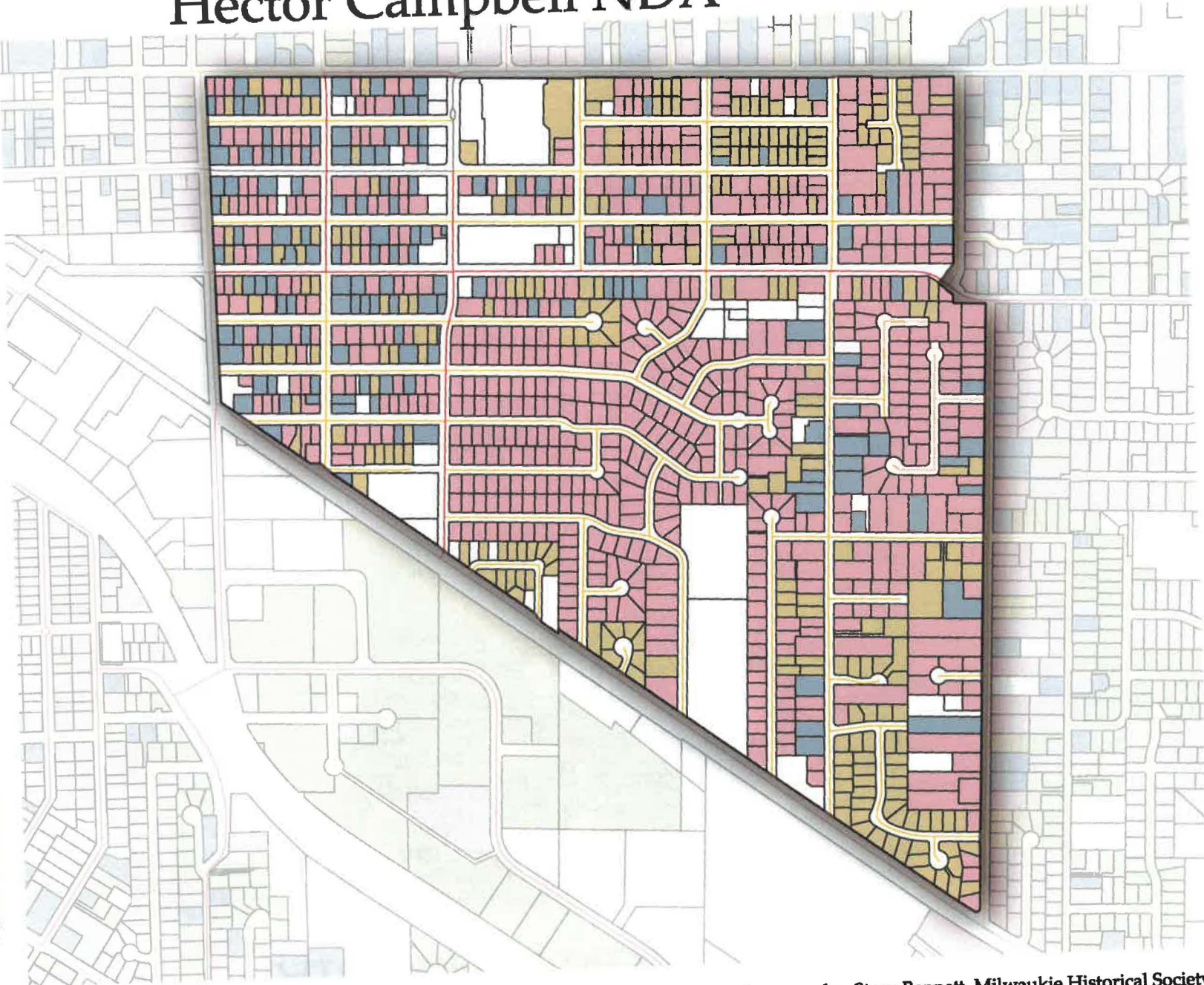
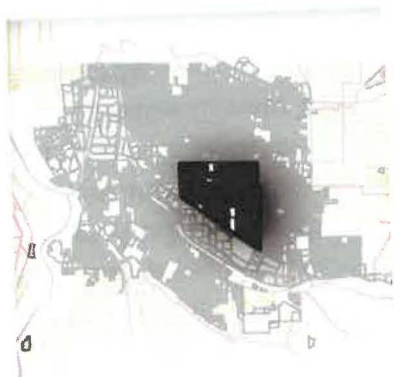


Hector Campbell NDA

The map shows the property lot locations. The date of home/building construction, when known, is color-coded. The data is based on Clackamas County Tax Records. Locations in white have no given construction date. Records from 1850-1938 are often not precisely known.

Period of Building Construction

-  No Date Specified
-  1850-1938
-  1939-1975
-  Over 1973



Created on 17-02-2025





Cartography: Steve Bennett, Milwaukie Historical Society

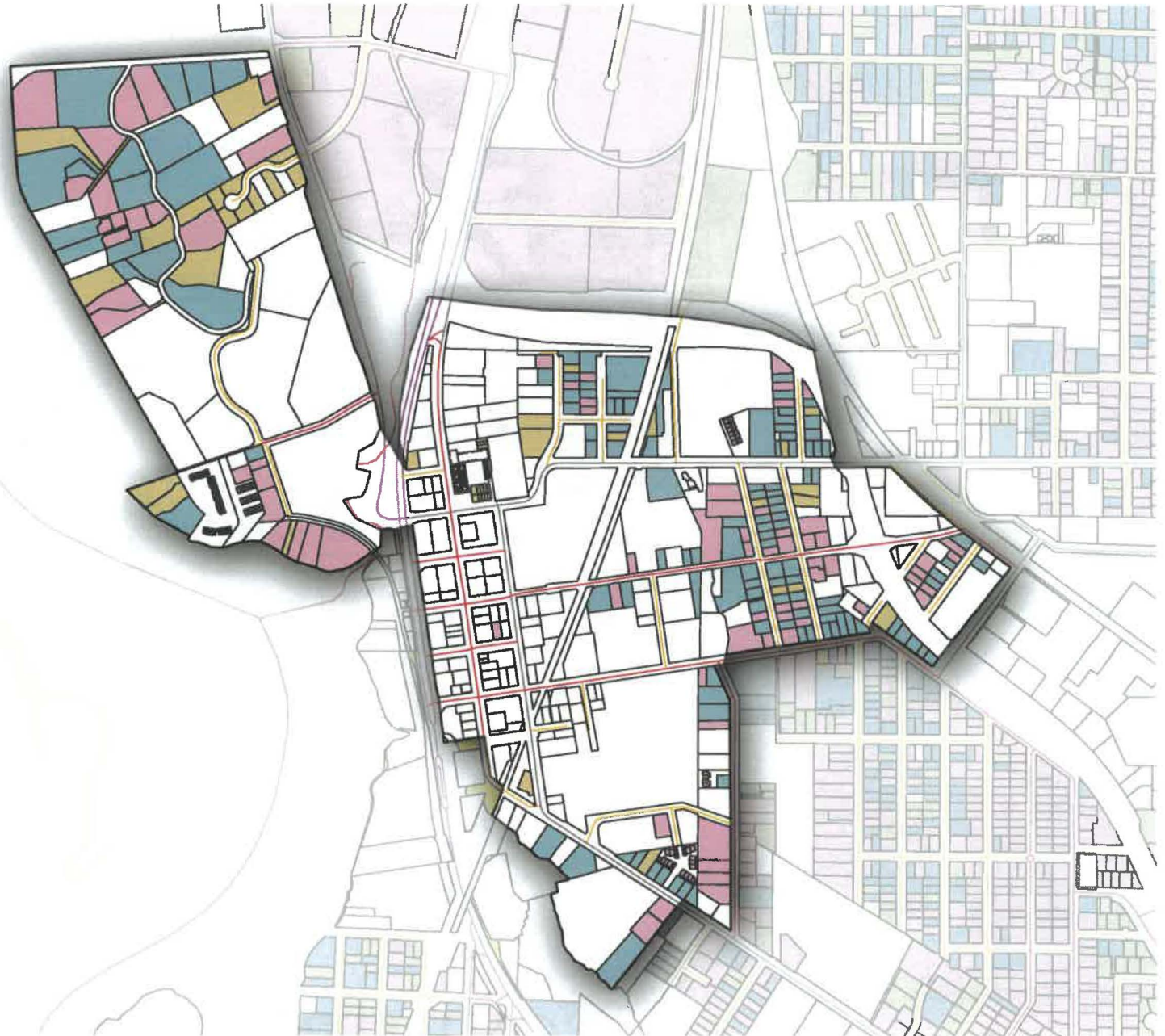
Historic Milwaukie NDA

The map shows the property lot locations. The date of home/building construction, when known, is color-coded. The data is based on Clackamas County Tax Records.

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Period of Building Construction

-  No Date Specified
-  1850-1938
-  1939-1975
-  Over 1973







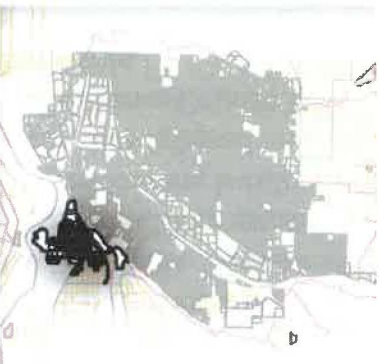
Island Station NDA

The map shows the property lot locations. The date of home/building construction, when known, is color-coded. The data is based on Clackamas County Tax Records.

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Period of Building Construction

-  No Date Specified
-  1850-1938
-  1939-1975
-  Over 1973

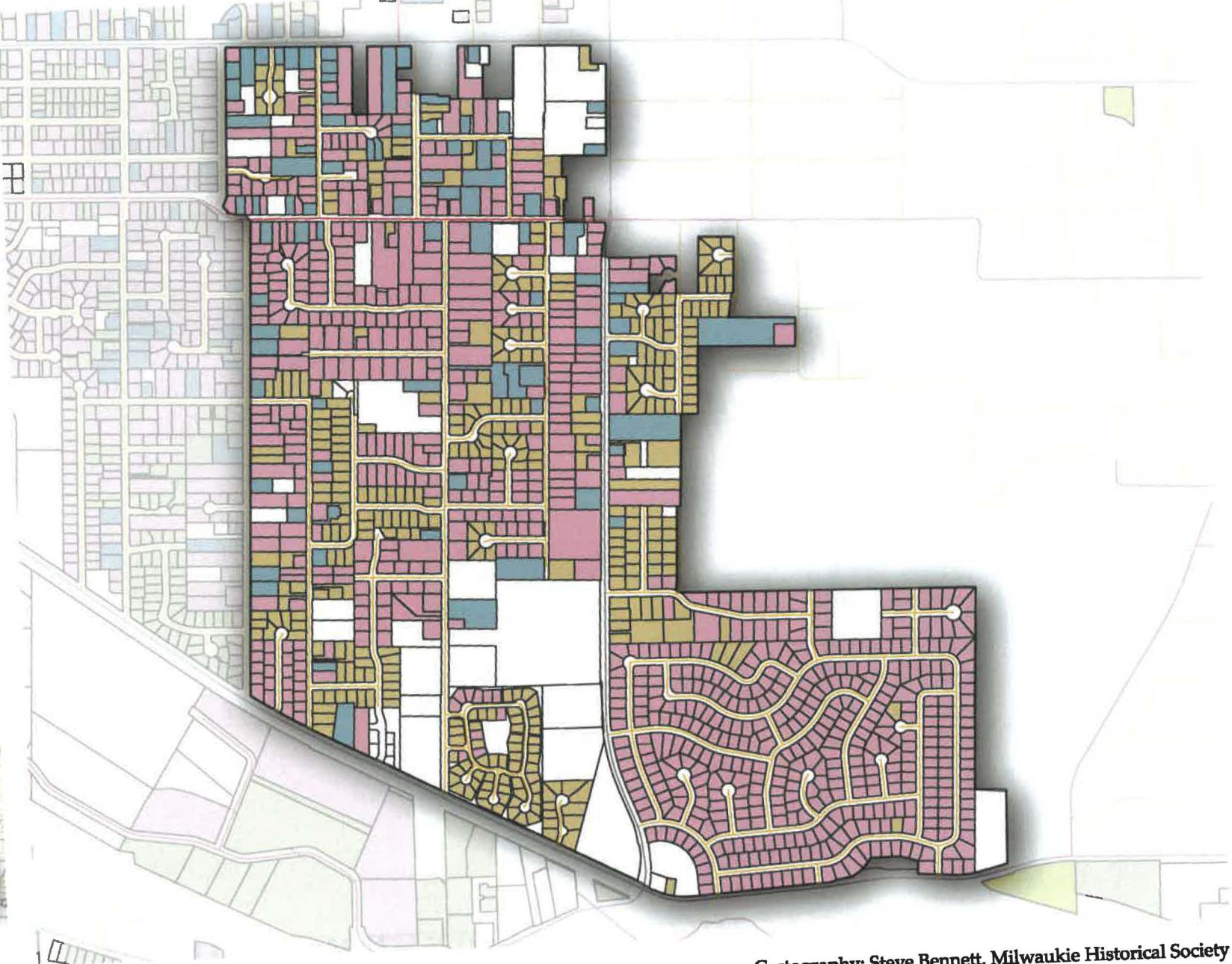


Linwood NDA

The map shows the property lot locations. The date of home/building construction, when known, is color-coded. The data is based on Clackamas County Tax Records. Locations in white have no given construction date. Records from 1850-1938 are often not precisely known.

Period of Building Construction

- No Date Specified
- 1850-1938
- 1939-1975
- Over 1973







Cartography: Steve Bennett, Milwaukie Historical Society

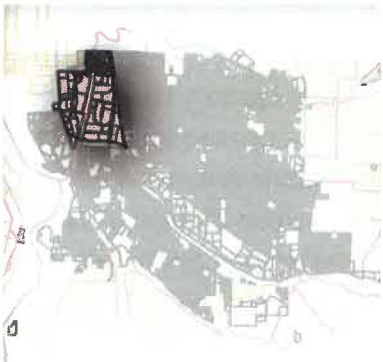
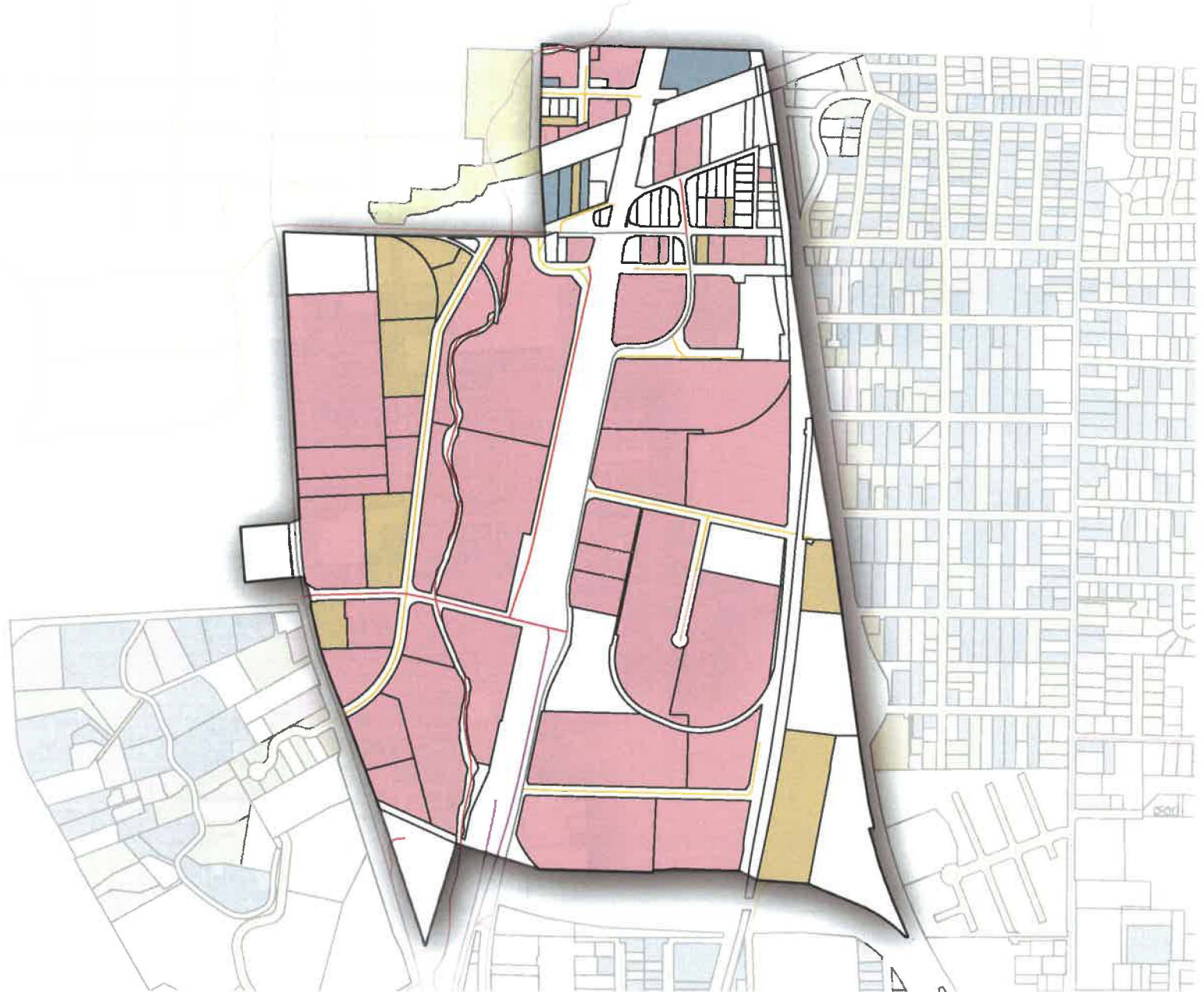
North Milwaukie Industrial NDA

The map shows the property lot locations. The date of home/building construction, when known, is color-coded. The data is based on Clackamas County Tax Records.

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Period of Building Construction

-  No Date Specified
-  1850-1938
-  1939-1975
-  Over 1973







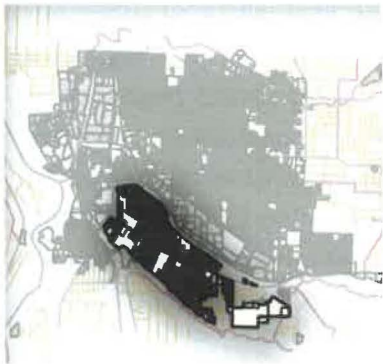
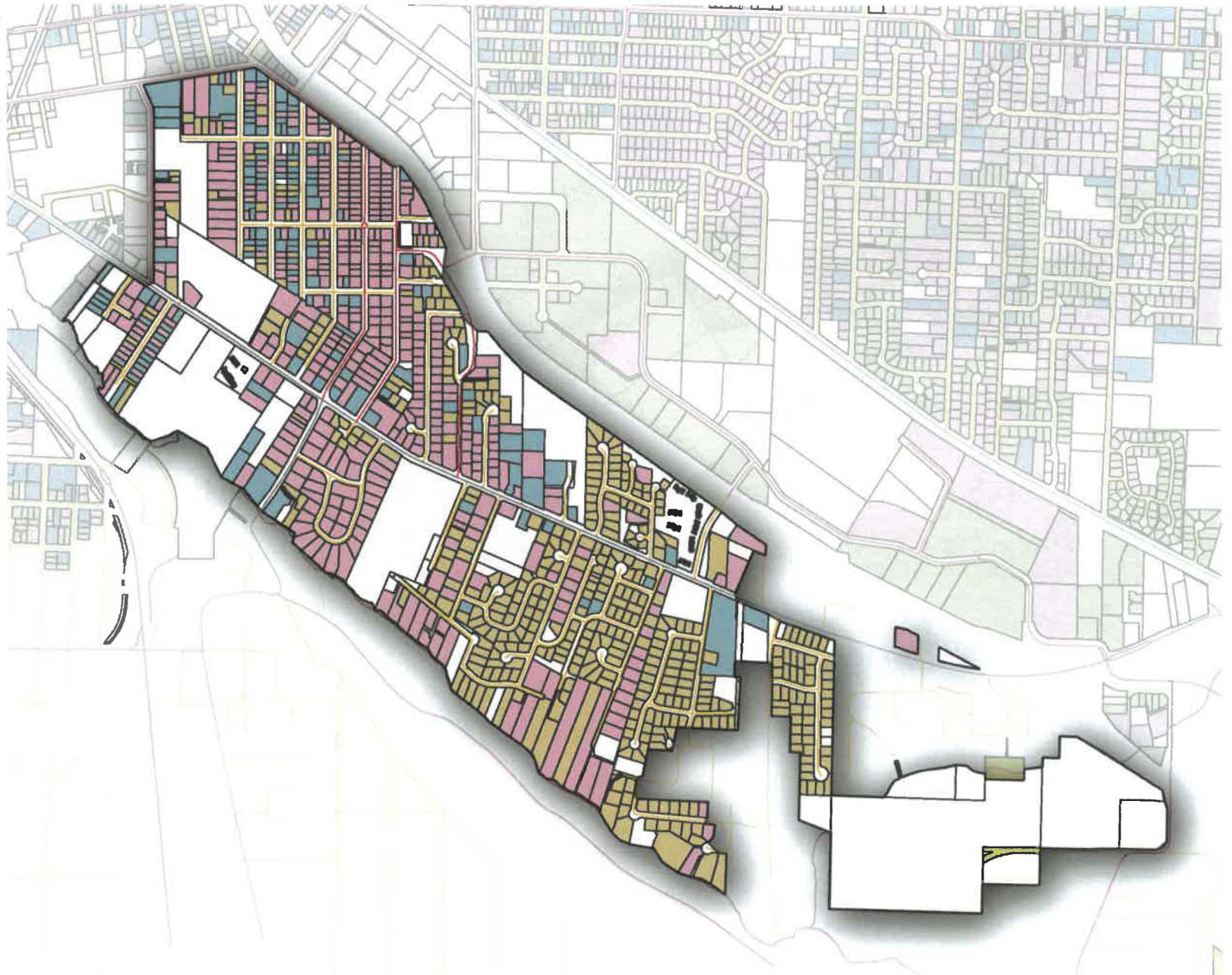
Lake Road NDA

The map shows the property lot locations. The date of home/building construction, when known, is color-coded. The data is based on Clackamas County Tax Records.

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Period of Building Construction

-  No Date Specified
-  1850-1938
-  1939-1975
-  Over 1973



Milwaukie Business Industrial NDA





The map shows the property lot locations. The date of home/building construction, when known, is color-coded.

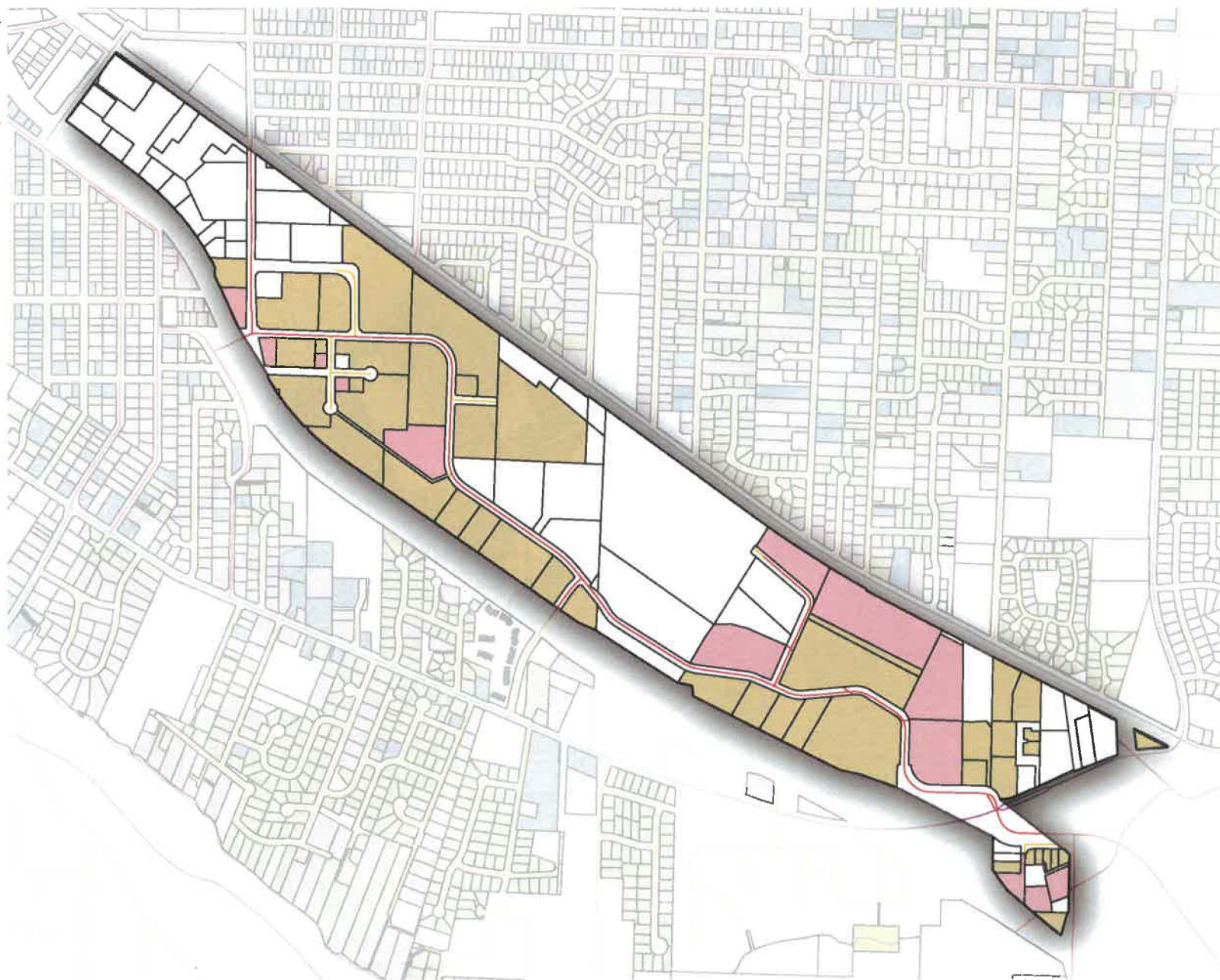
The data is based on Clackamas County Tax Records.

Locations in white have no given construction date.

Records from 1850-1938 are often not precisely known.

Period of Building Construction





-  No Date Specified
-  1850-1938
-  1939-1975
-  Over 1973

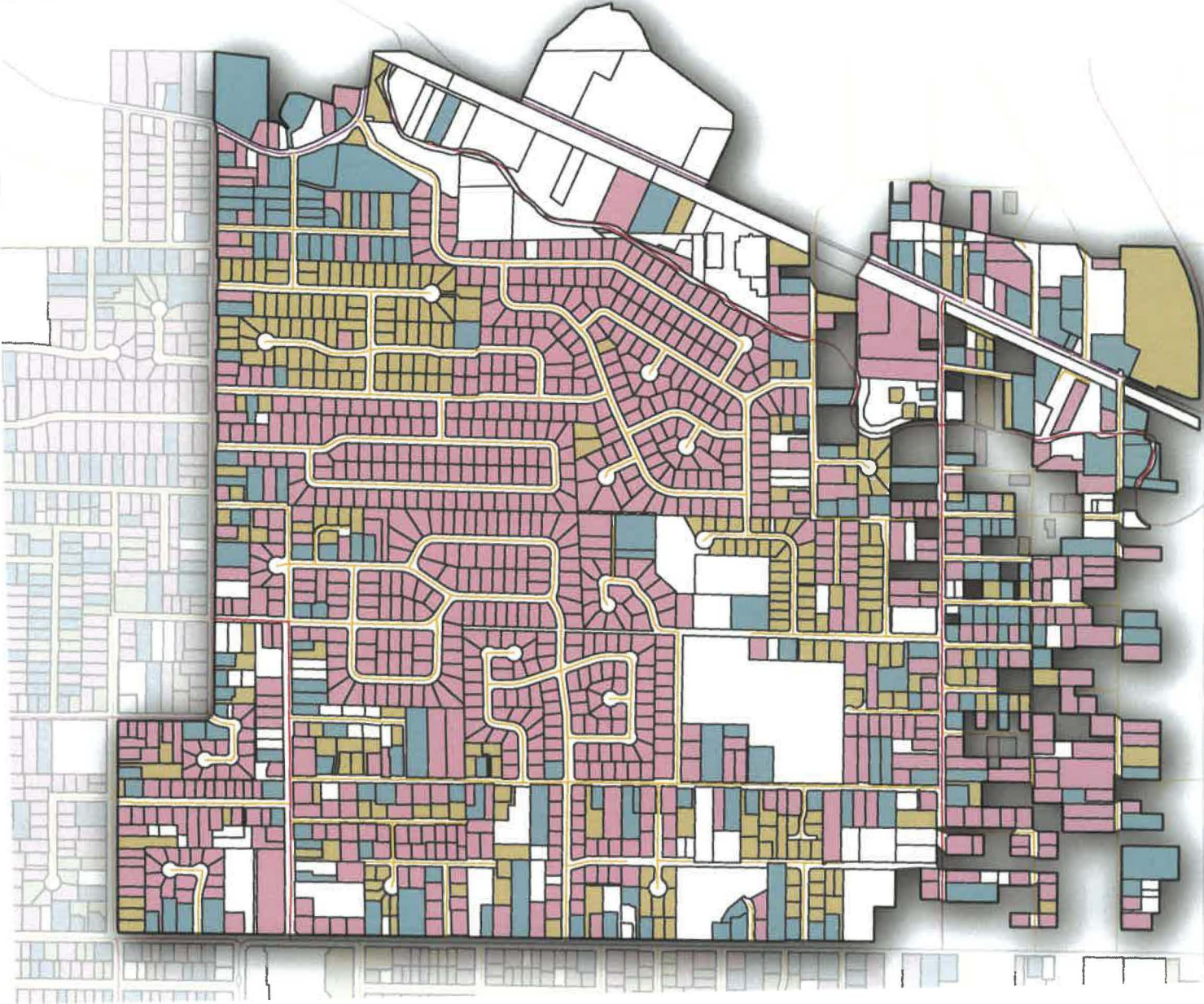


Lewelling NDA

The map shows the property lot locations. The date of home/building construction, when known, is color-coded. The data is based on Clackamas County Tax Records. Locations in white have no given construction date. Records from 1850-1938 are often not precisely known.

Period of Building Construction

-  No Date Specified
-  1850-1938
-  1939-1975
-  Over 1973





**CITY OF MILWAUKIE
CITY COUNCIL**

10722 SE Main Street
P) 503-786-7502
F) 503-653-2444
ocr@milwaukieoregon.gov

Speaker Card

The City of Milwaukie encourages all citizens to express their views to their city leaders in a **respectful** and **appropriate** manner. If you wish to speak before the City Council, fill out this card and hand it to the City Recorder. Note that this Speaker Card, once submitted to the City Recorder, becomes part of the public record.

Name: Steve Bennett

Address: 12975 SE River Road, Milwaukie, OR, 97222

Organization: Milwaukie Historical Society

Phone: 443-632-8915

Email: sbennett1@comcast.net

Meeting Date: Feb. 128, 2025 **Topic:** Historic House Inventory and Neighborhood Hubs

Agenda Item You Wish to Speak to:

You are Speaking...

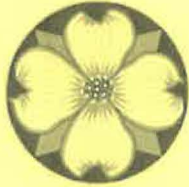
- #5 Community Comments**
Note: Council generally does not respond to comments during this meeting. The city manager will respond to comments at the next regular session.
- #7 Other Business, Topic:** _____
- #8 Public Hearing, Topic:** _____

- in Support
- in Opposition
- from a Neutral Position
- to ask a Question

Comments:

As President of the Historical Society, I would like to speak on behalf of the Society Board of Directors expressing our desire to have the long-overdue Historic House Inventory be considered an essential prerequisite to planning efforts in the city, including the discussion of Neighborhood Hubs. Without the knowledge of what assets we currently have, the city runs the risk of irretrievably losing places of historic, cultural, and monetary value.

Steve Bennett



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Name: Gene Monaco

Address: 4920 SE Lake RD

Organization:

Phone: 503-442-9173

Email: huskyhooligan@gmail.com

Meeting Date: 2-

Topic: Cereghino Farms road extension

Agenda Item You Wish to Speak to:

#5 Community Comments

Note: Council generally does not respond to comments during this meeting. The city manager will respond to comments at the next regular session.

#7 Other Business, Topic: _____

#8 Public Hearing, Topic: _____

You are Speaking...

in Support

in Opposition

from a Neutral Position

to ask a Question

Comments:



**CITY OF MILWAUKIE
CITY COUNCIL**

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ocr@milwaukieoregon.gov

Speaker Card

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Name: Red Smith

Address: _____

Organization: _____

Phone: _____

Email: _____

Meeting Date: _____

Topic: Senate Bill 687 And How we Talk to

Agenda Item You Wish to Speak to:

You are Speaking... People

#5 Community Comments

in Support

Note: Council generally does not respond to comments during this meeting. The city manager will respond to comments at the next regular session.

in Opposition

#7 Other Business, Topic: _____

from a Neutral Position

#8 Public Hearing, Topic: _____

to ask a Question

Comments:



RS Agenda Item

6

Consent Agenda

COUNCIL WORK SESSION

City Hall Council Chambers, 10501 SE Main Street
& Zoom Video Conference (www.milwaukieoregon.gov)

MINUTES

JANUARY 21, 2025

Council Present: Councilors Will Anderson, Adam Khosroabadi, Rebecca Stavenjord, and Council President Robert Massey, and Mayor Lisa Batey

Staff Present: Joseph Briglio, Assistant City Manager
Ryan Burdick, Police Chief
Matt Deeds, Assistant Finance Director
Justin Gericke, City Attorney
Michael Osborne, Finance Director
Emma Sagor, City Manager
Gabrial Santoyo Gutierrez, Equity & Inclusion Coordinator
Scott Stauffer, City Recorder

Mayor Batey called the meeting to order at 4:05 p.m.

1. Boards and Committees (BCs) Annual Recruitment – Preview

Stauffer explained the city was entering the fourth annual recruitment and provided an overview of the recruitment and appointment timeline, described how past interviews have been conducted, and explained the process for naming alternates.

Stauffer noted an upcoming BC introduction to the Milwaukie Leadership Academy which had been historically a great recruitment avenue.

The group discussed prescreening applicants and not offering all applicants an interview. It was Council consensus to prescreen applicants if there is a high volume of applications for a BC and that all Council members would participate in the interviews.

Councilor Khosroabadi arrived at the meeting at 4:20 p.m.

The group discussed Planning Commission interviews to fill current vacancies. **Stauffer** summarized that Mayor Batey and Councilor Massey would be the members of Council to participate on the Commission interview panel.

Mayor Batey stated that the interview process had generally improved each year and was running relatively smoothly.

The group discussed recruitment for youth positions, noting at two open youth positions, reaching out to the high school, and the involvement of the current youth members.

2. STOPS Data – Annual Report

Burdick reported that the STOPS Data Annual Report was a result of Oregon House Bill (HB) 2355 from 2017, which requires law enforcement officers to document the demographics of all self-initiated traffic and pedestrian stops. **Burdick** outlined the three key evaluation tests used in the report and stated that the Milwaukie Police Department (MPD) met the standards for the predicted disposition and search finding tests, but the results of the decisions to stop test indicated a failure for Black drivers with a 2.17 rating, above the 1.8 threshold that signals disparity.

Burdick provided an explanation on how the data was collected and calculated and **Sagor** noted areas for confusion in how the report uses data over multiple years.

Burdick discussed ongoing efforts to analyze the data which included working with the Oregon Criminal Justice Commission (CJC) to understand contributing factors such as the limited availability to make stops during the noted time windows due to shift change debriefs and trainings.

Burdick emphasized that the department takes the results seriously and that they remain open-minded to the results and learning from them.

The group discussed how external factors, such as work schedules, shift work, and community demographics, and department turnover might influence stop rates.

Councilor Anderson and **Burdick** discussed how the city's results compared to results from other organizations.

The group discussed ongoing process evaluation, the department's commitment to addressing bias, improving training, and how the data should be reviewed in future years given the schedule changes in late 2024.

Sagor confirmed that they would keep Council updated on further analysis and actions.

3. Fiscal Year (FY) 2024 Audit – Report

Osborne introduced Ashley Osten, from Moss Adams, the city's independent auditing firm. **Osborne** noted how the new audit firm had been selected and credited the smooth and timely completion of the FY 2024 audit to the finance team, particularly Deeds and the city's Accountant Judy Serio, for preparing schedules and supporting the audit.

Osten introduced the Moss Adams auditors and provided an overview of the audit process, explaining that the firm conducted independent verification of transactions, assessed internal controls, reviewed compliance with state laws, and evaluated financial statements for accuracy.

Osten confirmed that the city had received a "clean" unmodified opinion for FY2024, the highest level of assurance, meaning the financial statements were presented fairly in accordance with generally accepted accounting principles (GAAP). **Osten** noted that compliance testing identified one budget over-expenditure in the information technology (IT) department totaling \$45,000, which resulted from a change in accounting principles requiring subscription-based expenses to be recorded upfront. **Osten** stated that the audit team performed interviews with city staff outside of the finance department and did not uncover fraud, waste, or abuse and that no significant deficiencies or material weaknesses were identified.

The group discussed clarifications and definitions on audit adjustments, liabilities, deferred inflows and outflows, and Public Employees Retirement System (PERS).

Council Reports

Councilor Khosroabadi reported on a Community Advisory Board (CAB) meeting, where discussions focused on bylaws, recruitment, and accessibility initiatives. The CAB also planned upcoming presentations with the Energy Trust of Oregon (ETO) and the Clackamas County weatherization program to explore resources for residents. **Khosroabadi** also reported on a Clackamas County Water Environment Services (WES) meeting, where discussions included system development charges (SDCs) and the possibility of increasing rates to reduce burdens on ratepayers.

Councilor Massey reported on a North Clackamas Watershed Council (NCWC) meeting, which focused on different aspects of the Kellogg Creek Dam removal project. **Mayor Batey** noted a tour of the site with Neil Schulman of NCWC and a representative from Congresswoman Janelle Bynum’s office.

Councilor Stavenjord attended a Downtown Alliance of Milwaukie (DAM) meeting, where discussions focused on beautification efforts, including hanging flower baskets, lighting, and other streetscape improvements.

Councilor Khosroabadi added a note on the CAB’s SDC discussion and the group discussed.

Councilor Anderson stated that Clackamas County Coordinating Committee (C4) had concerns about potential funding adjustments for Metro’s Supportive Housing Services (SHS) bond measure and the timing of the renewal vote. The group considered options for advocacy and monitoring legislative developments. **Anderson** also highlighted Oregon House Bill (HB) 2138, which proposed zoning and housing policy changes, including applying middle housing standards to urban unincorporated areas and updating density and affordability requirements. **Mayor Batey** and **Anderson** discussed potential impacts on the city’s housing policies.

4. Adjourn

Mayor Batey adjourned the meeting at 5:58 p.m.

Respectfully submitted,

Nicole Madigan, Deputy City Recorder

COUNCIL REGULAR SESSION

City Hall Council Chambers, 10501 SE Main Street
& Zoom Video Conference (www.milwaukieoregon.gov)

MINUTES

JANUARY 21, 2025

Council Present: Councilors Adam Khosroabadi, Robert Massey Rebecca Stavenjord, and
Council President Will Anderson, and Mayor Lisa Batey

Staff Present: Joseph Briglio, Assistant City Manager
Mandy Byrd, Development Project Coordinator
Katie Gavares, Climate & Natural Resources
Manager

Justin Gericke, City Attorney
Emma Sagor, City Manager Scott Stauffer,
City Recorder
Courtney Wilson, Urban Forester

Mayor Batey called the meeting to order at 6:34 p.m.

1. CALL TO ORDER

A. Pledge of Allegiance.

B. Native Lands Acknowledgment.

2. ANNOUNCEMENTS

Mayor Batey announced upcoming activities, including the city's 2024 volunteer of the year award nomination process, a city manager open door session, a Christmas tree installation event at Spring Park, a Lunar New Year event, and the city's annual board and committee (BC) recruitment process.

Mayor Batey read a Milwaukie Bay Park themed haiku poem.

3. PROCLAMATIONS AND AWARDS

A. None Scheduled.

4. SPECIAL REPORTS

A. None Scheduled.

5. COMMUNITY COMMENTS

Mayor Batey reviewed the comment procedures. **Sagor** noted there was no follow-up from the January 7 comments. No audience member wished to address Council.

Sagor reported on correspondence received from a business owner requesting the city pause approving the contract under consent agenda item 6. C. and other comments received regarding agenda item 7 C. about the Harrison and Main site.

6. CONSENT AGENDA

Councilor Anderson removed item 6. A. 3. from the consent agenda and asked staff to review a section of the minutes related to Council's open container discussion. The group noted the minutes would be reviewed and brought back at a future meeting.

It was moved by Councilor Anderson and seconded by Councilor Massey to approve the Consent Agenda as amended.

A. City Council Meeting Minutes:

- 1. December 10, 2024, study session,**
- 2. December 17, 2024, work session, and**
- 3. ~~December 17, 2024, regular session.~~** (removed from the agenda)

B. ~~A resolution authorizing a cell phone tower lease agreement.~~ (removed from the agenda)

C. Resolution 5-2025: A resolution of the City Council of the City of Milwaukie, Oregon, authorizing a contract with R.A. Roth Construction and Sons, Inc. for the Downtown Curbs and Storm Improvements Project (CIP-2021-T58).

D. Resolution 6-2025: A resolution of the City Council of the City of Milwaukie, Oregon, authorizing a first amendment to the intergovernmental agreement with Clackamas County for fiber optic connection services.

E. An Oregon Liquor and Cannabis Commission (OLCC) application for Good Measure PDX, LLC, 10999 SE Main Street – limited on-premises sales.

Motion passed with the following vote: Councilors Anderson, Khosroabadi, Massey, and Stavenjord and Mayor Batey voting “aye.” [5:0]

7. BUSINESS ITEMS

A. Council President Election – Motion

Mayor Batey and **Councilor Massey** explained when a council president is elected after the seating of newly elected councilors, and the role the council president plays.

Councilor Massey nominated Councilor Khosroabadi to serve as council president and **Councilor Anderson** expressed support for Khosroabadi.

Councilor Stavenjord did not wish to serve as council president.

Councilor Khosroabadi declined to serve as council president and nominated Councilor Anderson to serve as council president.

It was moved by Councilor Khosroabadi and seconded by Councilor Massey to nominate Councilor Anderson to serve as council president. Motion passed with the following vote: Councilors Anderson, Khosroabadi, Massey, and Stavenjord and Mayor Batey voting “aye.” [5:0]

Council President Anderson expressed appreciation for the vote of support and for Councilor Khosroabadi.

B. Tree Code Amendments Adoption – Ordinance

Mayor Batey and **Wilson** noted this was a continued presentation of proposed changes to the Milwaukie Municipal Code (MMC) Tree Code. **Wilson** reviewed the specific code changes, including where the Tree Board is included in the code and how tree permits are issued and enforced.

It was moved by Council President Anderson and seconded by Councilor Massey for the first and second readings by title only and adoption of the ordinance amending Municipal Code (MMC) Chapter 2.10 Boards, Commissions, and Committees Generally and Chapter 16.32 Tree Code for the purpose of improving readability and code enforcement. Motion passed with the following vote: Councilors Anderson, Khosroabadi, Massey, and Stavenjord and Mayor Batey voting “aye.” [5:0]

Sagor read the ordinance two times by title only.

Stauffer polled the Council with Councilors Anderson, Khosroabadi, Massey, and Stavenjord and Mayor Batey voting “aye.” [5:0]

Ordinance 2247:

AN ORDINANCE OF THE CITY OF MILWAUKIE, OREGON, AMENDING MUNICIPAL CODE (MMC) CHAPTER 2.10 BOARDS, COMMISSIONS, AND COMMITTEES GENERALLY AND CHAPTER 16.32 TREE CODE FOR THE PURPOSE OF IMPROVING READABILITY AND CODE ENFORCEMENT.

Councilor Massey remarked on the number of previous Council discussions on the proposed tree codes that had gone into the ordinance adoption action.

C. Harrison and Main Site Priorities – Discussion

Briglio and **Byrd** reviewed the history of the site as a parking lot comprised of two properties, one owned by the city, the other by Metro. **Mayor Batey** and **Byrd** noted that the intergovernmental agreement (IGA) between the city and Metro for the site’s management had been amended over the years.

Byrd and **Briglio** discussed challenges of developing the site, Metro’s Transit Oriented Development (TOD) and previously adopted development goals and asked for Council feedback on the city’s goals for the site.

Mayor Batey observed that audience members wished to speak to Council about the site and noted that public comments would be taken after Council asked staff questions.

Councilor Khosroabadi, Byrd, and Briglio discussed Metro’s interest in commercial and housing development on the site. **Sagor** commented on whether Metro would be interested in a development that would allow the Milwaukie Farmers Market to remain on the site. **Councilor Stavenjord** and **Sagor** remarked on the applicability of the Rockwood Market project in Portland to the Harrison and Main Site.

Councilor Massey and **Briglio** confirmed that the city-owned lot was on the east side of the site and that it was possible for the properties to be developed separately.

Council President Anderson asked what level of area median income (AMI) level housing could be built on the site. **Briglio** and **Sagor** suggested staff would need to speak to developers to confirm what AMI housing would be possible.

Councilor Stavenjord noted TODs had to be built by private partners and asked if the properties on their own were big enough to develop and if Metro would be willing to sell their property to the city. **Briglio** thought dividing the site might make it harder but not impossible to develop and reported that Metro had asked if the city was interested in selling its property to Metro. The group remarked on whether Metro was interested in developing or selling their property.

Council President Anderson asked about plans to relocate the Farmers Market and **Mayor Batey** noted that representatives of the Farmers Market would be speaking.

Councilor Massey expressed support for the site continuing to be home to the market, providing public parking, and being an event space. The group remarked on how a request for proposals (RFP) process could encourage creative design ideas.

Dave Aschenbrenner, Celebrate Milwaukie, Inc. (CMI) Board member, explained that CMI ran the Milwaukie Farmers Market and commented on previous plans for the site, the need for parking and event space in downtown, and the construction of new housing in downtown. **Aschenbrenner** suggested the city buy the Metro half of the site to keep it as a parking lot or build a structure with parking, the market, commercial space and housing.

Brendan Eiswerth, CMI Board member, commented on the site's development history, the benefits of the market for the community and small businesses, and proposed that the site be protected as a town square. **Eiswerth** suggested that the South Downtown (SoDo) festival street plaza built on Main Street did not meet the market's needs.

Council President Anderson asked about the proposals to use the lot for parking and an open-air market. **Briglio** and **Mayor Batey** discussed the city's intentions for developing SoDo for the market and challenges about using it for the market. **Briglio** noted that Metro seemed to be open to an open-air market structure.

Councilor Khosroabadi expressed support for events continuing to be held on the site and for the concepts Councilor Massey and Aschenbrenner had proposed.

Councilor Stavenjord expressed support for the market and community events and asked staff to work with Metro to identify what the development constraints on the site were. **Sagor** and **Stavenjord** agreed that Council wanted to preserve community space.

Councilor Massey believed the site presented a great opportunity and agreed with Eiswerth that the city shouldn't do away with a space that brings community together.

Council President Anderson remarked on the importance of the market and expressed concern that the city and Metro not develop the lots with different goals.

Mayor Batey observed that the conversation had changed since 2016 when only one Council member believed parking was important for the site. **Batey** believed that with the arrival of new businesses in downtown, the parking issue would become real and supported the ideas proposed around parking and community space.

Sagor summarized that Council's priorities for the site were event/market space and preserving parking. **Councilor Stavenjord** discussed how a creative structure design could include event space and parking. **Council President Anderson** did not believe parking needed to be preserved and suggested the city's climate action and affordable housing were bigger priorities. **Mayor Batey** commented on the need for parking for community members who live further away from downtown. **Councilor Massey** agreed that community space, market space, and parking were the priorities.

Councilor Khosroabadi thought a housing developer might include parking and **Mayor Batey** observed that such housing would not be for event space. **Khosroabadi** agreed with the challenges of biking to the site for families and people who live outside Milwaukie and agreed with the prioritization of community/market space and parking.

Mayor Batey suggested another goal for the site could be a river view restaurant.

Sagor summarized that Council unanimously believed preserving community event space was a priority, with the Council majority in favor of preserving parking. **Sagor** and **Briglio** noted next steps for staff to reach out to Metro and come back to Council. **Briglio** observed that Council was still interested in the partnership with Metro on the site. **Mayor Batey** and **Briglio** commented on the increase in housing in downtown

Milwaukie since the 2016 site goals had been set. **Councilor Massey** encouraged staff to communicate the city's interest in creative structure design to Metro.

8. PUBLIC HEARING

A. None Scheduled.

9. COUNCIL REPORTS

A. Legislative Priorities and Lobbying – Discussion

Briglio reviewed Council's legislative priorities as reported to the League of Oregon Cities (LOC) in 2024 and suggested that the Kellogg Creek Dam removal project be added to the list. **Sagor** remarked on the availability of funding to hire a lobbyist. **Briglio** reported that the North Clackamas Watersheds Council (NCWC), the lead agency on the dam removal project, did not believe the city needed to invest in lobbyist services for the project now.

Mayor Batey commented on the development of a one-page handout with the city's legislative priorities to distribute during the LOC's Cities Day at the Capitol on January 28. The group discussed plans to meet with legislators during Cities Day and what priorities to list on the handout, noted topics included energy affordability, recreational immunity, behavioral health, and Milwaukie Bay Park (MBP). They discussed how much to ask the state for the park project. It was Council consensus to make MBP the focus of the one-page handout with a list of priorities too.

Stauffer and **Mayor Batey** reviewed the plan to track bills and draft Council policy letters during the 2025 session of the state legislature. Council provided noted bills for staff to track.

Council President Anderson suggested that utilities be added to the Cities Day handout and the group noted deadlines for drafting and finalizing the handout.

Council Reports

Councilor Khosroabadi remarked on plans to write a Council letter to Portland General Electric (PGE) asking for their plans to slow down the annual rate increases. Council noted recent political moves to ask PGE the same questions.

Councilor Khosroabadi discussed plans to write a Council letter to the federal Department of Veterans Affairs addressing gaps in mental health services for veterans and supporting Oregon House Bill (HB) 2537 that would provide a state response to the issue.

10. ADJOURNMENT

It was moved by Council President Anderson and seconded by Councilor Massey to adjourn the Regular Session. Motion passed with the following vote: Councilors Anderson, Khosroabadi, Massey, and Stavenjord and Mayor Batey voting "aye." [5:0]

Mayor Batey adjourned the meeting at 8:52 p.m.

Respectfully submitted,

Scott Stauffer, City Recorder

COUNCIL STAFF REPORT

To: Mayor and City Council
Emma Sagor, City Manager

Reviewed: Scott Stauffer, City Recorder

From: Joseph Briglio, Assistant City Manager

Subject: **2025 Council Committee Assignments**

Date Written: Feb. 6, 2025

ACTION REQUESTED

Council is asked to finalize the 2025 Council committee assignments matrix.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

Every January, Council updates the matrix noting which of its members serve on various intergovernmental and regional advisory bodies.

[February 4, 2025](#): Council discussed its committee assignments.

ANALYSIS

Council discussed committee assignments in the summer of 2024 following the May special election. At the February 4 work session, Council reviewed the committee assignments and discussed if any changes were needed. No changes were identified. The assignments are shown in the attached matrix.

The committee assignments matrix may be updated throughout the year as committee information changes.

ATTACHMENTS

1. 2025 Council Committee Assignments Matrix

Attachment 6. B. 1.

LAST UPDATED: 4-Feb-25

Committee	Focus	Governing Authority	2024 Appointee	Staff Resources	Elected Rep Required	Meeting Schedule (subject to change)	Policy areas
Audit Committee	The City of Milwaukie created an Audit Committee of the Milwaukie City Council to ensure that audits of the City's financial statements are completed annually in accordance with Oregon state law, to share oversight responsibility of the City's independent auditors with management, and to assist City management in the review and selection of the City's independent auditor (Res. No. 56-2012).	The Audit Committee is to consist of one member of the City Council and one member of the City Budget Committee each appointed by the Council for two-year staggered terms and two citizen members with an interest in City government financial operations, with preference first given to a Certified Public Accountant residing within City limits and second to a Certified Public Accountant with City affiliation, also for a two year term.	<u>Robert Massey</u>	Michael Osborne	Yes	Meetings are held at least twice annually	Finance
Boards, Committees, and Commissions (BCC) Selection Committee	Purpose is to interview citizens who have applied to serve on citywide Boards, Committees, and Commissions.	Comprised of the Mayor, rotating Councilor, and Staff Liaison.	<u>Lisa Batey</u>	Scott Stauffer	Yes	Interviews are held as needed.	Public engagement
Budget Committee	The Budget Committee is established in accordance with the provisions of ORS 294.336 to review the annual city budget document as prepared by the city budget officer and to recommend an approved budget to the City Council for adoption.	The Committee includes five City Councilors plus an equal number of City residents who are registered voters. The Council appoints the citizen members for four-year terms. The Budget Committee meets as directed by City Council. Typically, the budget preparation meetings are held in the early spring, with additional meetings scheduled as needed and to review revenue and expenditure reports.	<u>Mayor and Council</u>	Emma Sagor, Michael Osborne	Yes	Meetings are held quarterly	Finance
Clackamas Cities Association (CCA)	12 cities in Clackamas County get together for dinner and speaker events to share ideas and to network.	City of Lake Oswego provides general coordination for cities.	<u>Mayor and Council</u>	Emma Sagor, Scott Stauffer	No	Dinners are held monthly. Typically, dinners are held on the third Thursday of the month.	Intergovernmental Affairs
Clackamas County Coordinating Committee (C-4)	C-4 was founded by the County to promote a partnership between the County, its Cities, Special Districts, Hamlets, Villages and Community Planning Organizations (CPOs). C-4 provides Councilors with an opportunity to network and work on building consensus on regional issues.	Voting membership shall consist of one elected representative and an elected alternate appointed by the City Council	<u>William Anderson</u>	Emma Sagor	Yes	Meetings are held on the first Thursday of the month starting at 6:45 p.m. in the Public Services Building of Clackamas County.	Land use and development, Transportation, Intergovernmental Affairs
Clackamas County Coordinating Committee (C-4) – Metro Sub-Committee	C-4 members who are within the Metro jurisdiction shall be a subcommittee of C-4 named Metro subcommittee to discuss JPACT and MPAC issues. This subcommittee shall at a minimum be the body which nominates and elects cities' representatives to: JPACT, MPAC, TPAC, MTAC, respectively.	Nominations and elections shall occur in November of each even numbered year in accordance with Metro Charter requirements.	<u>William Anderson</u>	Emma Sagor, Joseph Briglio	Yes	Meetings are held on the third Wednesday of the month at 7:30 in the Clackamas County's Development Services Building.	Transportation, Land use and development
Clackamas County Fire District #1 District Board Subcommittee	Purpose is to discuss collaborative opportunities, long-term facility needs, emergency preparedness, impacts of compression, and other challenges facing communities being served.	Subcommittee consists of two Fire Board members and two Council Members appointed by respective jurisdiction.	<u>Adam Khosroabadi</u> <u>Vacant</u>		Yes	Development Services Building 150 Beaver Creek Rd. Oregon City, OR 97045	Public safety
Clackamas County Library District Advisory Committee	Purpose is to advise the Clackamas County Library Service District (Board of County Commissioners) to support two county libraries and ten city libraries.	Committee involves 10 members that are typically appointed by respective library board. The advisory committee was created after the 2008 District creation.	<u>No Council Rep Needed</u>	Brent Husher	No	Meetings are held as needed.	Libraries
Clackamas County Childcare for All Task Force	A group convened by Clackamas County and Clackamas Education Service District on ways to provide greater access to affordable childcare options.		<u>Adam Khosroabadi</u>			Meeting schedule under development.	Housing and human services
Clackamas County Mayor and Chair	Broad topics that fall outside the scope of C4.	Ad hoc group – no formal appointment process.	<u>Lisa Batey</u>	Emma Sagor	No	Oregon City Library	Intergovernmental Affairs
Community Action Board	Members are appointed by the Clackamas County Board of County Commissioners. The group advocates both locally and at the state level on issues related to people and households with low-incomes.	Board is run by Clackamas County. 8 members and one alternate.	<u>Adam Khosroabadi</u>		No	Meetings are the first Wednesday of each month, 7:30 a.m. to 9 a.m.	Housing and human services
Homeless Solutions Coalition of Clackamas County (HSCC)	HSCCC's purpose is to bring together citizens, agencies, governments, churches, businesses, and schools in the Oregon City region to create partnerships that reduce homelessness.	Steering committee made up of co-founders and representatives of agencies, governments, churches, businesses, and schools.	<u>Rebecca Stavenjord - Board Member</u> <u>Adam Khosroabadi - attends regional "together" groups</u> <u>Robert Massey - attends provider committee (currently on hiatus)</u>		No		Housing and human services

Committee	Focus	Governing Authority	2024 Appointee	Staff Resources	Elected Rep Required	Meeting Schedule (subject to change)	Policy areas
League of Oregon Cities	Legislative Committees (any councilor can participate)	LOC Energy Policy Committee Community Development Committee	<u>Any Councilor can participate in legislative committees</u>	Emma Sagor	Yes		Intergovernmental Affairs
Local Contract Review Board	Purpose is to review and adopt public contracting rules and findings as to amendments of professional services	Established via Resolution by Council.	<u>City Council</u>	Kelli Tucker	Yes	Meetings are held as needed.	Finance
Metro Mayor's Consortium	Advocate at Metro and State on issues that affect all metro cities.	Membership limited to 20 local mayors of the Portland Metro Region.	<u>Lisa Batey</u>	Emma Sagor	Yes	Meetings are held monthly on Wednesdays during lunchtime.	Intergovernmental Affairs
Milwaukie Redevelopment Commission	Facilitate and support urban renewal efforts in targeted areas of the City of Milwaukie	MRC	<u>City Council</u>		Yes	Meet as needed during Council work, study, and regular sessions	Land use and development
Milwaukie Redevelopment Commission Community Advisory Committee	Advise MRC on investment opportunities within the tax increment financing district.	MRC	<u>Rebecca Stavenjord</u>		Yes	Meets as needed to develop recommendations for MRC.	Land use and development
Milwaukie Parks and Recreation Board (PARB)	Advises City Council on parks related issues.	Comprised of 8 members appointed by City Council.	<u>Robert Massey</u>	Peter Passarelli	Yes	Meetings are held on the 4th Wednesday of every month at 4:30 at the Ledding Library.	Parks
North Clackamas Chamber of Commerce and Public Policy Team	Purpose is to discuss policy issues in front of the Chamber for position consideration.	Representatives appointed by the Chamber Board.	<u>Adam Khosroabadi</u>	Vera Koliass Emma Sagor	No	Meetings are held on the first Monday of the month from 12 p.m. to 1:15 p.m. at the Chamber Offices.	Economic development
North Clackamas Parks and Recreation District Advisory Board (DAC)	Purpose is to make recommendations to the District Board of Directors on the design, planning and development of parks and the provision of recreational programs in the district.	Section E(2) of the May 1, 1990 Agreement between Clackamas County and the City provide for representation to the DAC. City Council appoints the DAC member.	<u>Lisa Batey</u>	Peter Passarelli	No	DAB meets monthly on the second Wednesday of every month from 5:00 to 7:00 PM	Natural Resources and Parks
North Clackamas Watershed Council	The North Clackamas Watershed Council's purpose is to advocate for the protection and enhancement of the watersheds' fish and wildlife habitat and improve water quality through partnership with public and private entities, habitat restoration projects, community education and outreach, and strategic planning.	The number of Council Representatives may vary between a minimum of four (4) and a maximum of thirty (30). A minimum of one position will be reserved for each of the following watersheds and sub-basin areas; Upper Kellogg, Lower Kellogg, Lower Mt Scott, Dean, Middle Mt Scott/Cedar, Phillips, Upper Mt Scott, Minthorn Spring, Boardman Creek, River Forest, and Rinearson Creek. The term of office for Council Representatives shall be three years.	<u>Robert Massey</u>	Peter Passarelli	No	Meetings are held on the third Wednesday of the month from 6:00 p.m. to 8:00 p.m. at Oak Lodge Sanitary District.	Natural Resources and Parks
Oregon Mayors Association (OMA), Portland Metro Region Team	Purpose is to create a forum for discussing a wide variety of issues, and, most importantly, a unified voice in Salem. Established in 1972, the Oregon Mayors Association is a voluntary association of persons who hold the office of mayor. OMA is recognized as an affiliate organization in cooperation with the League of Oregon Cities. Over two-thirds of Oregon mayors are active members of OMA.	The leadership of the OMA is vested in a Board of ten directors which include a President, President-elect, Secretary-Treasurer, Immediate Past President and six members at-large. The Immediate Past President and the Secretary-Treasurer serve as ex-officio-Directors. The Secretary-Treasurer position is a nonvoting position held by the Executive Director of the League of Oregon Cities Board members are elected at the annual meeting of the OMA, held at the League of Oregon Cities' Annual Conference. The OMA constitution requires that consideration be given to geographic and size diversity on the Board.	<u>Lisa Batey</u>	Emma Sagor	Yes	Meetings are held as needed either by way of teleconference or at League of Oregon Cities' Meetings.	Intergovernmental Affairs
WES Advisory Committee	On Sept. 14, 2017, the Board of County Commissioners of Clackamas County (BCC) acting as the governing body of WES, created a standing advisory committee consisting of customers, stakeholders and city representatives referred to as the Water Environment Services Advisory Committee.	Clackamas County	<u>Adam Khosroabadi</u>	Peter Passarelli	Yes		Natural Resources and Parks, Public Utilities
Regional Water Providers Consortium	The Regional Water Providers Consortium serves as a collaborative and coordinating organization to improve the planning and management of municipal water supplies in the greater Portland, Oregon metropolitan region. Primary focus is conservation and planning interties of water systems to address emergency needs.	Formed in 1997, the Consortium serves the Multnomah, Clackamas, and Washington counties and is made up of 21 water providers and the regional government Metro. Together, these entities provide about 95 percent of the Portland metropolitan area's drinking water. Members of the Consortium are cities, water districts and a people's utility district throughout the Portland, Oregon metropolitan area. The regional government Metro is also a member. Participation in the Consortium is voluntary and is funded through membership dues.	<u>Robert Massey</u>	Peter Passarelli	No	Meetings are held three times per year. Typically, from 6:00 p.m. to 8:30 p.m. at Metro. Usually in the Metro Chambers.	Natural Resources and Parks, Public Utilities

Committee	Focus	Governing Authority	2024 Appointee	Staff Resources	Elected Rep Required	Meeting Schedule (subject to change)	Policy areas
Transportation System Plan Advisory Committee	Community based committee that will advise on the update of the TSP.	Committee is appointed by City Council.	William Anderson	Laura Weigel	Yes, as determined by City Council	Approx. 12/16 meetings over 12-18 months. Meeting time TBD. Likely on Thursday evenings from 6:00- 8:00.	Transportation

COUNCIL STAFF REPORT

To: Mayor and City Council
Emma Sagor, City Manager

Date Written: Jan. 31, 2025

Reviewed: Michael Osborne, Finance Director, and
Joe Gardner, IT Manager

From: Kelli Tucker, Accounting and Contracts Specialist

Subject: **Contract Amendment Authorization for Utility Billing Printing & Mailing Services**

ACTION REQUESTED

Council is asked to authorize an amendment for the existing contract with BMS Technologies for utility billing printing and mailing services to extend the term by six (6) months.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

Since 2011, the city has outsourced monthly printing and mailing services for more than 7,000 utility invoices for both residential and commercial customers in Milwaukee, along with the option to select paperless billing.

December 2018: staff issued a formal competitive solicitation for utility billing printing and mailing services and selected BMS Technologies as the most qualified contractor.

[February 5, 2019](#): Council authorized the contract award to BMS Technologies with [Resolution 9-2019](#) for a contract term up to six years.

ANALYSIS

The city's current contract with BMS Technologies will expire on February 28, 2025. Contract services include printing and mailing utility invoices for customers who wish to receive a paper invoice, as well as a hosted website for customers who wish to receive their monthly invoice electronically.

The hosted site for electronic invoices only allows customers to view the invoice. In order to pay electronically, the customer must log in to a separate site that is hosted by the city's financial software provider, Tyler Technologies. This means that utility customers who wish to view and pay electronically have two separate websites and logins to visit each time. Staff has long-desired a solution that would provide a single site for customers to accomplish both tasks.

Recently, staff and Tyler Technologies found a solution that would provide access to a single website (hosted by Tyler Technologies) for customers to view and/or pay their utility invoices electronically. Before finalizing this service transition, staff will require additional time on the contract with BMS Technologies to ensure there is no lapse in printed or paperless services. An additional six months will allow staff to finalize the bill format and test the site with Tyler Technologies, as well as communicate changes with customers and transition the paperless services away from BMS Technologies. Additionally, staff will issue a formal solicitation for utility billing printing and mailing services in the coming months to ensure services continue beyond the extended contract term with BMS Technologies.

Staff is asking Council to authorize an amendment with BMS Technologies to extend the current contract period from February 28, 2025 to August 31, 2025. This additional six months will grant staff sufficient time to complete the transition tasks with Tyler Technologies and to prepare for a solicitation for printed and mailed utility bills.

BUDGET IMPACT

The extended term with BMS Technologies will result in services totaling approximately \$24,000 and these expenses are currently budgeted in the finance department budget for the 2025-2026 biennium budget. However, there will be cost reduction in services by BMS Technologies of approximately \$200 per month once the single-sign website transition is complete.

CLIMATE IMPACT

There is no climate impact to extending the term of the contract with BMS Technologies. However, once a single website is available to customers for viewing and paying utility bills, staff will strategize ways to promote paperless billing and payment options to customers in an effort to reduce the number of utility bills that are printed and mailed.

EQUITY IMPACT

Ensuring that all residents and businesses of Milwaukie are provided multiple options for receiving and paying their monthly utility invoice remains a primary focus of the finance department. Staff understand that not everyone has access to a paperless environment and will continue to provide both paper and paperless bill options, as well the ability to pay online, in-person, or by mail (lockbox).

WORKLOAD IMPACT

Transitioning to a single website with Tyler Technologies will impact the workload for the information technology (IT) manager, finance director, and utility billing technician but the workload is manageable.

COORDINATION, CONCURRENCE, OR DISSENT

The finance and IT departments have coordinated on this service change and concur with extending the contract term with BMS Technologies.

STAFF RECOMMENDATION

Staff recommends that Council authorize the amendment to the contract with BMS Technologies for utility billing printing and mailing services to extend the term by six (6) months and allow staff time to transition to a new paperless billing solution with Tyler Technologies.

ALTERNATIVES

1. Council may decline to extend the contract term and direct staff to solicit utility billing printing and mailing services through a new procurement process. This direction will significantly increase workload as staff would be required to print and mail over 5,000 utility invoices monthly in-house until a new contract is in place.
2. Council may decline to extend the contract term for six (6) months and direct staff to extend for a shorter period of time. Any period less than two (2) months will result in the same workload impact stated above in alternative option #1.

ATTACHMENTS

1. Resolution

COUNCIL RESOLUTION No.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, ACTING AS THE LOCAL CONTRACT REVIEW BOARD, AUTHORIZING AN AMENDMENT TO THE CONTRACT WITH BMS TECHNOLOGIES FOR UTILITY BILLING PRINTING AND MAILING SERVICES.

WHEREAS the city outsources monthly printing and mailing services of more than 7,000 invoices for both residential and commercial utility customers to BMS Technologies; and

WHEREAS BMS Technologies also offers the city’s utility customers the option to receive their utility invoices electronically through the contractor’s hosted website; and

WHEREAS electronic (credit card) payments must be made by the customer through a separately hosted site by the city’s financial software provider, Tyler Technologies; and

WHEREAS staff recently found a solution with Tyler Technologies to offer the city’s utility customers a single website to both receive and/or pay utility invoices electronically resulting in administrative ease for the customer; and

WHEREAS the contract with BMS Technologies will expire on February 28, 2025; and

WHEREAS staff requests the contract with BMS Technologies to be extended by six months, allowing staff time to transition to the new electronic billing solution with Tyler Technologies and issue a formal solicitation for continued printing and mailing services.

Now, Therefore, be it Resolved by the City Council of the City of Milwaukie, Oregon, acting as the Local Contract Review Board, that the city manager or finance director is authorized to sign the amendment to the contract with BMS Technologies for utility billing printing and mailing services and extend the contract term to August 31, 2025.

Introduced and adopted by the City Council on **February 18, 2025**.

This resolution is effective immediately.

Lisa M. Batey, Mayor

ATTEST:

APPROVED AS TO FORM:

Scott S. Stauffer, City Recorder

Justin D. Gericke, City Attorney

COUNCIL STAFF REPORT

To: Mayor and City Council
Emma Sagor, City Manager

Reviewed: Kelli Tucker, Accounting & Contracts Specialist

From: Ryan Burdick, Chief of Police

Subject: **Body-Worn Camera Grant Reinstatement**

Date Written: Jan. 31, 2025

ACTION REQUESTED

Council is asked to reinstate the city's previously awarded grant agreement with Justice & Security Strategies Inc. (JSS) for a body-worn camera policy and implementation program to ensure the city receives reimbursement of eligible grant expenses.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

December 2021: city entered a five-year contract with Motorola Solutions Inc. for the purchase and subscription services of body-worn cameras.

February 2023: city was awarded a federal grant by JSS of up to \$47,500 for implementing a body-worn camera policy and program.

March 2023: city entered into a grant agreement with JSS and was eligible to receive reimbursement of expenses related to the program from January 1, 2022, to December 31, 2024.

ANALYSIS

With the body-worn program implemented in 2022, the city has received \$30,449 to-date in reimbursed expenses under the expired grant with JSS.

Knowing that the grant would expire with funding remaining, staff and JSS began working toward a grant extension in late September 2024 to ensure the city would receive full grant reimbursement. Unfortunately, JSS's internal processes to obtain approval of the extension took more time than expected and the grant expired on December 31, 2024. Staff were presented with the proposed amendment in early January. JSS has proposed an extension through September 30, 2025.

To remedy the lapsed grant, staff are requesting reinstatement of the expired grant as outlined in the city's Public Contracting Rule (PCR) 90.025. Staff assures Council that the reinstated grant term will not lapse again, as any remaining expenses incurred by the city will be requested prior to the new expiration date of the grant.

BUDGET IMPACT

Reinstatement of the grant agreement will result in the city receiving reimbursement up to the remaining grant amount of \$17,051 for the city's General Fund revenue.

CLIMATE IMPACT

None.

EQUITY IMPACT

To increase community trust and transparency, the Milwaukie Police Department (MPD) implemented a body-worn camera program in July 2022 that includes a department policy to guide the use of the cameras. That same year, MPD invited the community to learn more about cameras and to participate in a conversation online as part of policy development. By reinstating this grant, the department can continue to build accountability practices that improve public safety.

WORKLOAD IMPACT

None.

COORDINATION, CONCURRENCE, OR DISSENT

The police department worked with the finance department to identify solutions and next steps in this contracting matter.

STAFF RECOMMENDATION

Staff recommends that Council reinstate the grant agreement with JSS for body-worn camera expense reimbursement to the city.

ALTERNATIVES

Council could decline to reinstate the grant agreement and direct the city to absorb the remaining expenses without reimbursement.

ATTACHMENTS

1. Resolution

COUNCIL RESOLUTION No.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, ACTING AS THE LOCAL CONTRACT REVIEW BOARD, REINSTATING A GRANT AGREEMENT WITH JUSTICE & SECURITY STRATEGIES INC. FOR A BODY-WORN CAMERA POLICY AND IMPLEMENTATION PROGRAM.

WHEREAS the city’s Milwaukie Police Department implemented a body-worn camera policy and program in 2022; and

WHEREAS in 2023, the city was awarded a federal grant by Justice & Security Strategies Inc. (JSS) for implementing a body-worn camera policy and program; and

WHEREAS the grant agreement expired on December 31, 2024 with funding still remaining; and

WHEREAS JSS proposed to extend the grant term through September 30, 2025 but provided the amendment after the grant had expired.

Now, Therefore, be it Resolved by the City Council of the City of Milwaukie, Oregon, acting as the Local Contract Review Board, that the grant agreement with JSS is reinstated effective upon acceptance of the grant amendment between the City and JSS. Upon acceptance of the amendment, the grant will be in full force and effect and without lapse, as if it had not expired.

Introduced and adopted by the City Council on **February 18, 2025**.

This resolution is effective immediately.

Lisa M. Batey, Mayor

ATTEST:

APPROVED AS TO FORM:

Scott S. Stauffer, City Recorder

Justin D. Gericke, City Attorney

COUNCIL STAFF REPORT

To: Mayor and City Council
Emma Sagor, City Manager

Date Written: Feb. 6, 2025

Reviewed: Michael Osborne, Finance Director, and
Kelli Tucker, Accounting and Contracts Specialist

From: Peter Passarelli, Public Works Director

Subject: Per- and Polyfluoroalkyl Substances (PFAS) Feasibility Study Financing Contract

ACTION REQUESTED

Council is asked to adopt a resolution authorizing the mayor to sign a forgivable loan financing contract with the State of Oregon for \$125,000 in federal funding for a PFAS Feasibility Study using funds made available from the Bipartisan Infrastructure Law (BIL) Clean Water State Revolving Fund Emerging Contaminants (EC) Supplemental Appropriation.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

[March 19, 2024](#): An update on PFAS was presented by staff and discussed with Council.

ANALYSIS

The city submitted a grant application to Business Oregon in February 2024 requesting approximately \$125,000 for 100% forgivable loan funding to perform a feasibility study to enhance the city's understanding of the prevalence of PFAS in the groundwater aquifer, which is the city's primary source of drinking water supply. The application was approved in September 2024 and the agreement presented to the city in January 2025. The loan is forgivable based on the city completing the study within 24 months and performing the scope of work generally described below. Business Oregon staff noted in communications that the mayor's signature was required on the financing contract.

The study will review and assess regulatory applicability to the city's management of PFAS in the groundwater aquifer. Current requirements will be summarized, as well as anticipated actions by the Environmental Protection Agency (EPA), Oregon Health Agency (OHA), and Oregon Department of Environmental Quality (DEQ). Contingencies and factors of safety related to unknown developments in regulatory action related to PFAS will also be considered. This portion of the study will support the development of a reduction target for potential treatment strategies.

The study will include assessment of management strategies and treatment technologies available to reduce public exposure to acceptable levels as currently identified by the EPA. Design values from previous steps in the study will be utilized to identify strategies that can meet the city's need. Availability of technology, compatibility of operation with existing systems, treatment system footprint and available property, management of residuals, and cost of construction, operation and maintenance among other considerations will be evaluated to support the city's selection of an optimal treatment method.

Staff will solicit competitive proposals compliant with federal procurement requirements to award a service contract for the feasibility study. A draft of the study will be submitted to the Oregon Business Development Department for review, and upon completion of the study, the city will be eligible for additional funding for PFAS treatment improvements under the BIL-EC appropriation.

CLIMATE IMPACTS

Future capital work associated with mitigating impacts of PFAS will also consider the impacts of potential treatment system and will look for ways to reduce energy consumption within those treatment processes.

EQUITY IMPACTS

Clean quality drinking water is critical, and it is important to reinvest in the city's infrastructure to ensure that the city can provide this critical commodity. These investments come at a cost to all ratepayers. The city will continue to provide low-income assistance to eligible utility customers to mitigate impacts on those customers.

BUDGET IMPACTS

The presence of PFAS in the local aquifer may result in the need to install additional treatment to remove PFAS, which will require additional capital and operating expenditures. The feasibility study will consider and document the potential costs for staff to consider in future budgeting cycles.

WORKLOAD IMPACTS

Future work related to PFAS will be a collaborative effort between public works and engineering departments, as well as contracted services.

COORDINATION, CONCURRENCE, OR DISSENT

Not applicable.

STAFF RECOMMENDATION

Staff recommend that Council adopt the resolution authorizing the mayor to sign the financing contract with the State of Oregon.

ALTERNATIVES

Not applicable.

ATTACHMENTS

1. Resolution
2. Financing Contract

COUNCIL RESOLUTION No.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, AUTHORIZING A FINANCING CONTRACT WITH THE STATE OF OREGON FOR THE DEVELOPMENT OF A PER- AND POLYFLUOROALKYL SUBSTANCES (PFAS) FEASIBILITY STUDY.

WHEREAS the city has detected the presence of PFAS within the groundwater utilized for the city’s drinking water; and

WHEREAS the United States Environmental Protection Agency (EPA) has adopted rules that will require treatment of PFAS by the year 2029; and

WHEREAS the city submitted a grant application with the State of Oregon requesting funding to perform a feasibility study to enhance the city’s understanding of the prevalence of PFAS in its drinking water supply; and

WHEREAS the State, acting through its Oregon Business Development Department, has allocated a \$125,000 forgivable loan to the city for the purpose of completing a PFAS feasibility study.

Now, Therefore, be it Resolved by the City Council of the City of Milwaukie, Oregon, that the Mayor is authorized to sign a financing contract with the State of Oregon to accept federal funds for the development of a PFAS feasibility study.

Introduced and adopted by the City Council on **February 18, 2024**.

This resolution is effective immediately.

Lisa Batey, Mayor

APPROVED AS TO FORM:

ATTEST:

Scott S. Stauffer, City Recorder

Justin D. Gericke, City Attorney

SAFE DRINKING WATER REVOLVING LOAN FUND
BIL-EMERGING CONTAMINANTS
PLANNING AWARD ONLY
FINANCING CONTRACT

Project Name: PFAS in Groundwater Feasibility Study
Project Number: EC2507

This financing contract (“Contract”), dated as of the date the Contract is fully executed, is made by the State of Oregon, acting by and through its Oregon Infrastructure Finance Authority of the Oregon Business Development Department (“OBDD”), and City of Milwaukie (“Recipient”) for financing of the project referred to above and described in Exhibit C (“Project”). This Contract becomes effective only when fully signed and approved as required by applicable law. Capitalized terms not defined in section 1 and elsewhere in the body of the Contract have the meanings assigned to them by Exhibit A.

This Contract includes the following, listed in descending order of precedence for purposes of resolving any conflict between two or more of the parts:

- This Contract less any Exhibits
- Exhibit A General Definitions
- Exhibit B Loan Security
- Exhibit C Project Description
- Exhibit D Project Budget
- Exhibit F Certification Regarding Lobbying

The information in Exhibit E is required by 2CFR § 200.332 and is attached to this Contract for informational purposes only.

SECTION 1 - KEY TERMS

The following capitalized terms have the meanings assigned below.

“Estimated Project Cost” means \$125,000.

“Forgivable Loan Amount” means \$125,000.

“Interest Rate” means 1% per annum.

“Maturity Date” means the 9th anniversary of the Repayment Commencement Date.

“Payment Date” means December 1.

“Project Closeout Deadline” means 90 days after the earlier of the Project Completion Date or the Project Completion Deadline.

“Project Completion Deadline” means 24 months after the date of this Contract.

“Repayment Commencement Date” means the first Payment Date to occur after the Project Closeout Deadline.

SECTION 2 - FINANCIAL ASSISTANCE

OBDD shall provide Recipient, and Recipient shall accept from OBDD, financing for the Project a non-revolving loan in an aggregate principal amount not to exceed the Forgivable Loan Amount.

“Loan” means the loan described in this section 2.

Notwithstanding the above, the aggregate total of Financing Proceeds disbursed under this Contract shall not exceed the Costs of the Project.

SECTION 3 - DISBURSEMENTS

- A. Reimbursement Basis. The Financing Proceeds shall be disbursed to Recipient on an expense reimbursement or costs-incurred basis. Recipient must submit each disbursement request for the Financing Proceeds on an OBDD-provided or OBDD-approved disbursement request form (“Disbursement Request”).
- B. Financing Availability. OBDD’s obligation to make, and Recipient’s right to request, disbursements under this Contract terminates on the Project Closeout Deadline.
- C. Payment to Contractors. OBDD, in its sole discretion, may make direct payment to suppliers, contractors and subcontractors and others for sums due them in connection with the Project, instead of reimbursing Recipient for those sums.

SECTION 4 - LOAN PAYMENT; PREPAYMENT; FORGIVENESS

- A. Promise to Pay. Recipient shall repay the Loan and all amounts due under this Contract in accordance with its terms. Payments required under this Contract are, without limitation, payable from the sources of repayment described in the Act and this Contract, including but not limited to Exhibit B, and the obligation of Recipient to make all payments is absolute and unconditional. Payments will not be abated, rebated, set-off, reduced, abrogated, terminated, waived, postponed or otherwise modified in any manner whatsoever. Payments cannot remain unpaid, regardless of any contingency, act of God, event or cause whatsoever, including (without limitation) any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, the taking by eminent domain or destruction of or damage to the Project, commercial frustration of purpose, any change in the laws, rules or regulations of the United States of America or of the State of Oregon or any political subdivision or governmental authority, nor any failure of OBDD to perform any agreement, whether express or implied, or any duty, liability, or obligation arising out of or connected with the Project or this Contract, or any rights of set off, recoupment, abatement or counterclaim that Recipient might otherwise have against OBDD or any other party or parties; provided further, that payments hereunder will not constitute a waiver of any such rights.
- B. Interest. Interest accrues at the Interest Rate on each disbursement from the date of disbursement until the Loan is fully paid. All unpaid interest accrued to the Repayment Commencement Date is (in addition to the first regular installment payment due) payable on the Repayment Commencement Date. Interest is computed by counting the actual days occurring in a 360-day year.

Recipient authorizes OBDD to calculate accrued interest as necessary under this Contract, including for purposes of determining a loan amortization schedule or determining the amount of a loan prepayment or loan payoff. Absent manifest error, such calculations will be conclusive.
- C. Loan Payments. Starting on the Repayment Commencement Date and then on each succeeding Payment Date, Recipient shall make level installment payments of principal and interest, each payment sufficient to pay the interest accrued to the date of payment and so much of the principal as will fully amortize the Loan by the Maturity Date, on which date the entire outstanding balance of the Loan is due and payable in full.
- D. Loan Prepayments.

- (1) Mandatory Prepayment. Recipient shall prepay all or part of the outstanding balance of the Loan as required by this Contract.
 - (2) Optional Prepayment. Recipient may prepay all or part of the outstanding balance of the Loan on any day except a Saturday, Sunday, legal holiday, or day that banking institutions in Salem, Oregon are closed.
- E. Application of Payments. Regardless of any designation by Recipient, payments and prepayments by Recipient under this Contract or any of the Financing Documents will be applied first to any expenses of OBDD, including but not limited to attorneys' fees, then to unpaid accrued interest (in the case of prepayment, on the amount prepaid), then to the principal of the Loan. In the case of a Loan prepayment that does not prepay all the principal of the Loan, OBDD will determine, in its sole discretion, the method for how the Loan prepayment will be applied to the outstanding principal payments. A scheduled payment received before the scheduled repayment date will be applied to interest and principal on the scheduled repayment date, rather than on the day such payment is received.
- F. Forgiveness. Subject to satisfaction by Recipient of any special conditions in Exhibit C, if Recipient completes the Project by the Project Completion Deadline in accordance with the terms of this Contract, and provided that no Event of Default has occurred, OBDD shall, 90 days after the Project Completion Date, forgive repayment of the Forgivable Loan Amount and any interest accrued thereon and cancel the Forgivable Loan. The Forgivable Loan Amount and any interest forgiven remain subject to the requirements of OAR 123-049-0050, incorporated by this reference, and which survive payment of the Loan.

The above-described modification will be effective without the necessity of executing any further documents. However, at OBDD's request, Recipient shall execute and deliver to OBDD such additional agreements, instruments and documents as OBDD deems necessary to reflect such modification, including but not limited to an amendment to the Contract.

SECTION 5 - CONDITIONS PRECEDENT

- A. Conditions Precedent to OBDD's Obligations. OBDD's obligations are subject to the receipt of the following items, in form and substance satisfactory to OBDD and its Counsel:
- (1) This Contract duly signed by an authorized officer of Recipient.
 - (2) Such other certificates, documents, opinions and information as OBDD may reasonably require.
- B. Conditions to Disbursements. As to any disbursement, OBDD has no obligation to disburse funds unless all following conditions are met:
- (1) There is no Event of Default.
 - (2) The representations and warranties made in this Contract are true and correct on the date of disbursement as if made on such date.
 - (3) OBDD, in the reasonable exercise of its administrative discretion, has sufficient moneys in the Fund for use in the Project and has sufficient funding, appropriations, limitations, allotments and other expenditure authority to make the disbursement.
 - (4) OBDD (a) has received a completed Disbursement Request, (b) has received any written evidence of materials and labor furnished to or work performed upon the Project, itemized receipts or invoices for payment, and releases, satisfactions or other signed statements or forms as OBDD may require, (c) is satisfied that all items listed in the Disbursement Request are

reasonable and that the costs for labor and materials were incurred and are properly included in the Costs of the Project, and (d) has determined that the disbursement is only for costs defined as eligible costs under the Act and any implementing administrative rules and policies.

- (5) Any conditions to disbursement elsewhere in this Contract or in the other Financing Documents are met.

SECTION 6 - USE OF FINANCIAL ASSISTANCE

- A. Use of Proceeds. Recipient shall use the Financing Proceeds only for the activities described in Exhibit C and according to the budget in Exhibit D. Recipient may not transfer Financing Proceeds among line items in the budget without the prior written consent of OBDD.
- B. Costs of the Project. Recipient shall apply the Financing Proceeds to the Costs of the Project in accordance with the Act and Oregon law, as applicable. Financing Proceeds cannot be used for costs in excess of one hundred percent (100%) of the total Costs of the Project and cannot be used for pre-Award Costs of the Project, unless permitted by Exhibit C.
- C. Costs Paid for by Others. Recipient may not use any of the Financing Proceeds to cover costs to be paid for by other financing for the Project, whether from OBDD or from another State of Oregon agency or any third party.

SECTION 7 - REPRESENTATIONS AND WARRANTIES OF RECIPIENT

Recipient represents and warrants to OBDD:

- A. Estimated Project Cost, Funds for Repayment. A reasonable estimate of the Costs of the Project is shown in section 1, and the Project is fully funded. Recipient will have adequate funds available to repay the Loan, and the Maturity Date does not exceed the usable life of the Project.
- B. Organization and Authority.
- (1) Recipient (a) is a Municipality under the Act, and validly organized and existing under the laws of the State of Oregon, and (b) owns a community water system, as defined in the Act and OAR 123-049-0010.
 - (2) Recipient has all necessary right, power and authority under its organizational documents and under Oregon law to (a) execute and deliver this Contract and the other Financing Documents, (b) incur and perform its obligations under this Contract and the other Financing Documents, and (c) borrow and receive financing for the Project.
 - (3) This Contract and the other Financing Documents have been duly executed by Recipient, and when executed by OBDD, are legal, valid and binding, and enforceable in accordance with their terms.
- C. Full Disclosure. Recipient has disclosed in writing to OBDD all facts that materially adversely affect the Project, or the ability of Recipient to make all payments and perform all obligations required by this Contract and the other Financing Documents. Recipient has made no false statements of fact, nor has it omitted information necessary to prevent any statements from being misleading. The information contained in this Contract and the other Financing Documents is true and accurate in all respects.
- D. Pending Litigation. Recipient has disclosed in writing to OBDD all proceedings pending (or to the knowledge of Recipient, threatened) against or affecting Recipient, in any court or before any governmental authority or arbitration board or tribunal, that, if adversely determined, would

materially adversely affect the Project or the ability of Recipient to make all payments and perform all obligations required by this Contract and the other Financing Documents.

E. No Events of Default.

- (1) No Events of Default exist or occur upon authorization, execution or delivery of this Contract or any of the Financing Documents.
- (2) Recipient has not violated, and has not received notice of any claimed violation of, any agreement or instrument to which it is a party or by which the Project or its property may be bound, that would materially adversely affect the Project or the ability of Recipient to make all payments and perform all obligations required by this Contract and the other Financing Documents.

F. Compliance with Existing Agreements and Applicable Law. The authorization and execution of, and the performance of all obligations required by, this Contract and the other Financing Documents will not: (i) cause a breach of any agreement, indenture, mortgage, deed of trust, or other instrument, to which Recipient is a party or by which the Project or any of its property or assets may be bound; (ii) cause the creation or imposition of any third party lien, charge or encumbrance upon any property or asset of Recipient; (iii) violate any provision of the charter or other document pursuant to which Recipient was organized or established; or (iv) violate any laws, regulations, ordinances, resolutions, or court orders related to Recipient, the Project or its properties or operations.

G. Governmental Consent. Recipient has obtained or will obtain all permits and approvals, and has made or will make all notifications, declarations, filings or registrations, required for the making and performance of its obligations under this Contract and the other Financing Documents, for the financing or refinancing and undertaking and completion of the Project.

SECTION 8 - COVENANTS OF RECIPIENT

Recipient covenants as follows:

- A. Notice of Adverse Change. Recipient shall promptly notify OBDD of any adverse change in the activities, prospects or condition (financial or otherwise) of Recipient or the Project related to the ability of Recipient to make all payments and perform all obligations required by this Contract or the other Financing Documents.
- B. Compliance with Laws. Recipient shall comply with all applicable laws, rules, regulations and orders of any court or governmental authority that relate to this Contract or the other Financing Documents, the Project and the operation of the System of which the Project is a component. In particular, but without limitation, Recipient shall comply with the following, as applicable:
 - (1) Federal procurement requirements of 2 CFR part 200, subpart D.
 - (2) Prevailing Wage Requirements.
 - (a) Recipient shall comply with state prevailing wage law as set forth in ORS 279C.800 through 279C.870, and the administrative rules promulgated thereunder (OAR Chapter 839, Division 25) (collectively, state "PWR"). This includes but is not limited to imposing an obligation that when PWR applies to the Project, contractors and subcontractors on the Project must pay the prevailing rate of wage for workers in each trade or occupation in each locality as determined by the Commissioner of the Bureau of Labor and Industries ("BOLI") under ORS 279C.815.

- (b) When the federal Davis-Bacon Act applies to the Project, contractors and subcontractors on the Project must pay the prevailing rate of wage as determined by the United States Secretary of Labor under the Davis-Bacon Act (40 USC 3141 *et seq.*).
- (c) Notwithstanding (3)(a) and (3)(b) above, when both PWR and the federal Davis-Bacon Act apply to the Project, contractors and subcontractors on the Project must pay a rate of wage that meets or exceeds the greater of the rate provided in (3)(a) or (3)(b) above.
- (d) When PWR applies, Recipient and its contractors and subcontractors shall not contract with any contractor on BOLI's current List of Contractors Ineligible to Receive Public Works Contracts.
- (e) When PWR applies, Recipient shall be responsible for both providing the notice to the BOLI Commissioner required by ORS 279C.835 and the payment of any prevailing wage fee(s) required under ORS 279C.825 and BOLI's rules, including OAR 839-025-0200 to OAR 839-025-0230. For avoidance of any doubt, Recipient contractually agrees to pay applicable prevailing wage fees for the Project rather than OBDD, the public agency providing Financing Proceeds under this Contract.
- (f) Pursuant to ORS 279C.817, Recipient and any contractors or subcontractors may request that the BOLI Commissioner make a determination about whether the Project is a public works on which payment of the prevailing rate of wage is required under ORS 279C.840 (i.e. whether PWR applies).

These laws, rules, regulations and orders are incorporated by reference in this Contract to the extent required by law.

- (3) Federal Crossing-Cutting Authorities. All federal laws, executive orders and government-wide policies that apply by their terms to projects and activities receiving federal financial assistance, regardless of whether the Act makes them applicable ("Cross-Cutting Authorities"). Section 5.5 of the Safe Drinking Water Handbook contains a link to a list of the Cross-Cutting Authorities.
- (4) Lobbying. Recipient acknowledges and agrees that the Costs of the Project will not include any Lobbying costs or expenses incurred by Recipient or any person on behalf of Recipient, and that Recipient will comply with federal restrictions on lobbying at 40 CFR Part 34 and will not request payment or reimbursement for Lobbying costs and expenses. "Lobbying" means influencing or attempting to influence a member, officer or employee of a governmental agency or legislature in connection with the awarding of a government contract, the making of a government grant or loan or the entering into of a cooperative agreement with such governmental entity or the extension, continuation, renewal, amendment or modification of any of the above. Recipient shall submit to OBDD a Certification Regarding Lobbying, the form of which is attached as Exhibit F, and any applicable quarterly disclosure statement of covered lobbying activity. Recipient will cause any entity, firm or person receiving a contract or subcontract utilizing Loan proceeds in excess of \$100,000 to complete the same certification and any applicable disclosure statement and submit them to Recipient. Recipient shall retain such certifications and make them available for inspection and audit by OBDD, the federal government or their representatives. Recipient shall forward any disclosure statements to OBDD.

- (5) Federal Audit Requirements. The Loan is federal financial assistance, and the Catalog of Federal Domestic Assistance (“CFDA”) number and title is “66.468, Capitalization Grants for Drinking Water State Revolving Funds.” Recipient is a sub-recipient.
- (a) If Recipient expends federal funds in excess of \$1,000,000 in Recipient’s fiscal year, it is subject to audit conducted in accordance with the provisions of 2 C.F.R. part 200, subpart F. Recipient, if subject to this requirement, shall at its own expense submit to OBDD a copy of, or electronic link to, its annual audit subject to this requirement covering the funds expended under this Contract and shall submit or cause to be submitted to OBDD the annual audit of any subrecipient(s), contractor(s), or subcontractor(s) of Recipient responsible for the financial management of funds received under this Contract.
- (b) Audit costs for audits not required in accordance with 2 CFR part 200, subpart F are unallowable. If Recipient did not expend \$1,000,000 or more in Federal funds in its fiscal year, but contracted with a certified public accountant to perform an audit, costs for performance of that audit shall not be charged to the funds received under this Contract.
- (c) Recipient shall save, protect and hold harmless OBDD from the cost of any audits or special investigations performed by the Federal awarding agency or any federal agency with respect to the funds expended under this Contract. Recipient acknowledges and agrees that any audit costs incurred by Recipient as a result of allegations of fraud, waste or abuse are ineligible for reimbursement under this or any other agreement between Recipient and the State of Oregon.
- (6) Disadvantaged Business Enterprises. Recipient will implement the good faith efforts for solicitation and contracting with Disadvantaged Business Enterprises (“DBE”) described in the Safe Drinking Water Handbook. This applies to all solicitation and contracting for construction, equipment, supplies, engineering or other services that constitute the Project financed by this Contract. Recipient will maintain documentation in a Project file and submit the required forms, as described in the Safe Drinking Water Handbook. Recipient will ensure that all prime contractors implement the good faith efforts for solicitation and contracting, and comply with all DBE procurement forms, statements, and reporting requirements.

Recipient will ensure that each procurement contract includes the following term and condition:

“The contractor shall not discriminate on the basis of race, color, national origin or sex in the performance of this contract. The contractor shall carry out applicable requirements of 40 CFR part 33 in the award and administration of contracts awarded under EPA financial assistance agreements. Failure by the contractor to carry out these requirements is a material breach of this contract which may result in the termination of this contract or other legally available remedies.”

- (7) Contract Provisions. The contract provisions listed in 2 CFR Part 200, Appendix II are obligations of Recipient, as applicable, and must be included, as applicable, by Recipient in its contracts related to the Project.
- (8) Infrastructure Investment and Jobs Act. Comply with all federal requirements applicable to the assistance received (including those imposed by the Infrastructure Investment and Jobs Act (“IIJA”), Public Law No. 117-58) which includes, but is not limited to, the following requirements: that all of the iron and steel, manufactured products, and construction materials used in the Project are to be produced in the United States (“Build America, Buy America

Requirements”) unless (i) the Participant has requested and obtained a waiver from the Agency pertaining to the Project or the Project is otherwise covered by a general applicability waiver; or (ii) all of the contributing Agencies have otherwise advised the Participant in writing that the Build America, Buy America Requirements are not applicable to the Project.

- (9) Record Keeping. Comply with all record keeping and reporting requirements under all applicable legal authorities, including any reports required by the funding authority (such as EPA and the State of Oregon), such as performance indicators of program deliverables, information on costs and project progress. The Participant understands that (i) each contract and subcontract related to the Project is subject to audit by appropriate federal and state entities and (ii) failure to comply with the applicable legal requirements and this Contract may result in a default hereunder that results in a repayment of the assistance agreement in advance of the maturity of the Bonds, termination and repayment of grants, cooperative agreements, direct assistance or other types of financial assistance, and/or other remedial actions.
- (10) Comply with the applicable EPA general terms and conditions available at: https://www.epa.gov/system/files/documents/2022-09/fy_2022_epa_general_terms_and_conditions_effective_october_1_2022_or_later.pdf
- (11) Incorporation by Reference. The above state and federal laws, rules, regulations and orders are incorporated by reference in this Contract to the extent required by law.

C. Project Completion Obligations. Recipient shall:

- (1) When procuring professional consulting services, provide OBDD with copies of all solicitations at least 10 days before advertising, and all contracts at least 10 days before signing.
- (2) Complete the Project using its own fiscal resources or money from other sources to pay for any Costs of the Project in excess of the total amount of financial assistance provided pursuant to this Contract.
- (3) Complete the Project no later than the Project Completion Deadline, unless otherwise permitted by OBDD in writing.
- (4) No later than the Project Closeout Deadline, Recipient must deliver to OBDD an electronic copy of the final study.

D. Financial Records. Recipient shall keep accurate books and records for the revenues and funds that are the source of repayment of the Loan, separate and distinct from its other books and records, and maintain them according to generally accepted accounting principles established by the Government Accounting Standards Board in effect at the time. Recipient shall have these records audited annually by an independent certified public accountant, which may be part of the annual audit of all records of Recipient.

E. Inspections; Information. Recipient shall permit OBDD, and any party designated by OBDD, the Oregon Secretary of State’s Office, the federal government and their duly authorized representatives: (i) to inspect, at any reasonable time, the property, if any, constituting the Project; and (ii) at any reasonable time, to inspect and make copies of any accounts, books and records, including, without limitation, its records regarding receipts, disbursements, contracts, investments and any other related matters, and financial statements or other documents related to its financial standing. Recipient shall supply any related reports and information as OBDD may reasonably require. In addition, Recipient shall, upon request, provide OBDD with copies of loan documents or other financing documents and any official statements or other forms of offering prospectus relating to any other bonds, notes or other indebtedness of Recipient that are issued after the date of this Contract.

- F. Records Maintenance. Recipient shall retain and keep accessible all books, documents, papers, and records that are directly related to this Contract, the Project or the Financing Proceeds for a minimum of six years, or such longer period as may be required by other provisions of this Contract or applicable law, following the Project Closeout Deadline. If there are unresolved issues at the end of such period, Recipient shall retain the books, documents, papers and records until the issues are resolved.
- G. Economic Benefit Data. OBDD may require Recipient to submit specific data on the economic development benefits of the Project and other information to evaluate the success and economic impact of the Project, from the date of this Contract until six years after the Project Completion date. Recipient shall, at its own expense, prepare and submit the data within the time specified by OBDD.
- H. Professional Responsibility. A professional engineer or architect, as applicable, registered and in good standing in Oregon, will be responsible for the design and construction of the Project. All service providers retained for their professional expertise must be certified, licensed, or registered, as appropriate, in the State of Oregon for their specialty.
- I. Notice of Event of Default. Recipient shall give OBDD prompt written notice of any Event of Default, or any circumstance that with notice or the lapse of time, or both, may become an Event of Default, as soon as Recipient becomes aware of its existence or reasonably believes an Event of Default is likely.
- J. (1) Contributory Liability and Contractor Indemnification—Tort Claims.

- (a) If any third party makes any claim or brings any action, suit or proceeding alleging a tort as now or hereafter defined in ORS 30.260 (“Third-Party Tort Claim”) against a party to this Contract (the “Notified Party”) with respect to which the other party may have liability, the Notified Party must promptly notify the other party in writing and deliver a copy of the claim, process, and all legal pleadings related to the Third-Party Tort Claim. Either party is entitled to participate in the defense of a Third-Party Tort Claim, and to defend a Third-Party Tort Claim with counsel of its own choosing. The foregoing provisions are conditions precedent for either party’s liability to the other in regards to the Third-Party Tort Claim.

If the parties are jointly liable (or would be if joined in the Third-Party Tort Claim), the parties shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable in such proportion as is appropriate to reflect their respective relative fault. The relative fault of the parties shall be determined by reference to, among other things, the parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. Each party’s contribution amount in any instance is capped to the same extent it would have been capped under Oregon law if that party had sole liability in the proceeding. This Section shall survive termination of this Contract.

- (b) Recipient shall take all reasonable steps to require its contractor(s) that are not units of local government as defined in ORS 190.003, if any, to indemnify, defend, save and hold harmless the State of Oregon and its officers, employees and agents (“Indemnatee”) from and against any and all claims, actions, liabilities, damages, losses, or expenses (including attorneys’ fees) arising from a tort (as now or hereafter defined in ORS 30.260) caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Recipient’s contractor or any of the officers, agents, employees or subcontractors of the contractor (“Contractor Tort Claims”). It is the specific intention of the parties that the Indemnatee shall, in all instances, except for Contractor Tort Claims arising solely from the negligent or willful

acts or omissions of the Indemnitee, be indemnified by the contractor from and against any and all Contractor Tort Claims. This Section shall survive termination of this Contract.

(2) Indemnity; Release—Claims Other Than Torts.

- (a) Except for Third-Party Tort Claims and Contractor Tort Claims as provided in Section J(1) above, to the extent authorized by law, Recipient shall defend, indemnify, save and hold harmless and release the State, OBDD, and their officers, employees and agents from and against any and all claims, demands, suits, actions, proceedings, losses, damages, liability and court awards including but not limited to costs, expenses, and reasonable attorneys' fees incurred (collectively, "Non-Tort Claims"), related to any actual or alleged act or omission by Recipient, or its officers, employees, contractors, or agents in connection with this Contract, or the Project, including without limitation, any expenses incurred or amounts paid in connection with an inquiry, investigation, audit or similar proceeding by and any federal, state, governmental or quasi-governmental body with regulatory jurisdiction arising from the Project or the actions or omissions of Recipient, or its officers, employees, contractors, or agents.
- (b) Notwithstanding the foregoing, neither Recipient nor any attorney engaged by Recipient may defend any Non-Tort Claim in the name of the State of Oregon, nor purport to act as legal representative for the State of Oregon, without first receiving from the Oregon Attorney General in a form and manner determined appropriate by the Oregon Attorney General, authority to act as legal counsel for the State of Oregon, nor may Recipient settle any Non-Tort Claim on behalf of the State of Oregon without the approval of the Oregon Attorney General. If the State of Oregon assumes its own defense, Recipient will be liable for the attorney fees of the State of Oregon, including but not limited to any fees charged by the Oregon Department of Justice. The provisions of this section are not to be construed as a waiver by the State of Oregon, OBDD, of any immunity, defense or limitation on damages provided for under Chapter 30 of the Oregon Revised Statutes or under the laws of the United States or other laws of the State of Oregon. If attorney fees are awarded to Recipient, such attorney fees shall not exceed the rate charged to OBDD by its attorneys.

- K. Further Assurances. Recipient shall, at the request of OBDD, authorize, sign, acknowledge and deliver any further resolutions, conveyances, transfers, assurances, financing statements and other instruments and documents as may be necessary or desirable for better assuring, conveying, granting, assigning and confirming the rights, security interests and agreements granted or intended to be granted by this Contract and the other Financing Documents.

SECTION 9 - DEFAULTS

Any of the following constitutes an "Event of Default":

- A. Recipient fails to make any Loan payment when due.
- B. Recipient fails to make, or cause to be made, any required payments of principal, redemption premium, or interest on any bonds, notes or other material obligations, for any other loan made by the State of Oregon.
- C. Any false or misleading representation is made by or on behalf of Recipient, in this Contract, in any other Financing Document or in any document provided by Recipient related to this Loan or the Project or in regard to compliance with the requirements of section 103 and sections 141 through 150 of the Code.

- D. (1) A petition, proceeding or case is filed by or against Recipient under any federal or state bankruptcy or insolvency law, and in the case of a petition filed against Recipient, Recipient acquiesces to such petition or such petition is not dismissed within 20 calendar days after such filing, or such dismissal is not final or is subject to appeal;
- (2) Recipient files a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, liquidation, dissolution, winding-up or composition or adjustment of debts;
- (3) Recipient becomes insolvent or bankrupt or admits its inability to pay its debts as they become due, or makes an assignment for the benefit of its creditors;
- (4) Recipient applies for or consents to the appointment of, or taking of possession by, a custodian (including, without limitation, a receiver, liquidator or trustee) of Recipient or any substantial portion of its property; or
- (5) Recipient takes any action for the purpose of effecting any of the above.
- E. Recipient defaults under any other Financing Document and fails to cure such default within the applicable grace period.
- F. Recipient fails to perform any obligation required under this Contract, other than those referred to in subsections A through E of this section 9, and that failure continues for a period of 30 calendar days after written notice specifying such failure is given to Recipient by OBDD. OBDD may agree in writing to an extension of time if it determines Recipient instituted and has diligently pursued corrective action.

SECTION 10 - REMEDIES

- A. Remedies. Upon any Event of Default, OBDD may pursue any or all remedies in this Contract or any other Financing Document, and any other remedies available at law or in equity to collect amounts due or to become due or to enforce the performance of any obligation of Recipient. Remedies may include, but are not limited to:
 - (1) Terminating OBDD's commitment and obligation to make any further disbursements of Financing Proceeds under the Contract.
 - (2) Declaring all payments under the Contract and all other amounts due under any of the Financing Documents immediately due and payable, and upon notice to Recipient the same become due and payable without further notice or demand.
 - (3) Barring Recipient from receiving future awards.
 - (4) Withholding amounts otherwise due to Recipient for application to the payment of amounts due under this Contract, pursuant to ORS 285A.213(6) and OAR 123-049-0040.
 - (5) Foreclosing liens or security interests pursuant to this Contract or any other Financing Document.
 - (6) Exercising any remedy listed in OAR 123-049-0040.
 - (7) Terminating this Contract.
- B. Application of Moneys. Any moneys collected by OBDD pursuant to section 10.A will be applied first, to pay any attorneys' fees and other fees and expenses incurred by OBDD; next, to pay interest due on the Loan; next, to pay principal due on the Loan, and last, to pay any other amounts due and payable under this Contract or any of the Financing Documents.

- C. No Remedy Exclusive; Waiver; Notice. No remedy available to OBDD is intended to be exclusive, and every remedy will be in addition to every other remedy. No delay or omission to exercise any right or remedy will impair or is to be construed as a waiver of such right or remedy. No single or partial exercise of any right power or privilege under this Contract or any of the Financing Documents shall preclude any other or further exercise thereof or the exercise of any other such right, power or privilege. OBDD is not required to provide any notice in order to exercise any right or remedy, other than OBDD notice required in section 9 of this Contract.
- D. Default by OBDD. In the event OBDD defaults on any obligation in this Contract, Recipient's remedy will be limited to injunction, special action, action for specific performance, or other available equitable remedy for performance of OBDD's obligations.

SECTION 11 - MISCELLANEOUS

- A. Time is of the Essence. Recipient agrees that time is of the essence under this Contract and the other Financing Documents.
- B. Relationship of Parties; Successors and Assigns; No Third Party Beneficiaries.
- (1) The parties agree that their relationship is that of independent contracting parties and that Recipient is not an officer, employee, or agent of the State of Oregon as those terms are used in ORS 30.265.
 - (2) Nothing in this Contract gives, or is to be construed to give, directly or indirectly, to any third persons any rights and benefits greater than those enjoyed by the general public.
 - (3) This Contract will be binding upon and inure to the benefit of OBDD, Recipient, and their respective successors and permitted assigns.
 - (4) Recipient may not assign or transfer any of its rights or obligations or any interest in this Contract or any other Financing Document without the prior written consent of OBDD. OBDD may grant, withhold or impose conditions on such consent in its sole discretion. In the event of an assignment, Recipient shall pay, or cause to be paid to OBDD, any fees or costs incurred because of such assignment, including but not limited to attorneys' fees of OBDD's Counsel and Bond Counsel. Any approved assignment is not to be construed as creating any obligation of OBDD beyond those in this Contract or other Financing Documents, nor does assignment relieve Recipient of any of its duties or obligations under this Contract or any other Financing Documents.
 - (5) Recipient hereby approves and consents to any assignment, sale or transfer of this Contract and the Financing Documents that OBDD deems to be necessary.
- C. Disclaimer of Warranties; Limitation of Liability. Recipient agrees that:
- (1) OBDD makes no warranty or representation, either express or implied, as to the value, design, condition, merchantability or fitness for particular purpose or fitness for any use of the Project or any portion of the Project, or any other warranty or representation.
 - (2) In no event are OBDD or its agents liable or responsible for any direct, indirect, incidental, special, consequential or punitive damages in connection with or arising out of this Contract or the existence, furnishing, functioning or use of the Project.
- D. Notices and Communication. Except as otherwise expressly provided in this Contract, any communication between the parties or notices required or permitted must be given in writing by personal delivery, email, or by mailing the same, postage prepaid, to Recipient or OBDD at the

addresses set forth below, or to such other persons or addresses that either party may subsequently indicate pursuant to this Section.

Any communication or notice by personal delivery will be deemed effective when actually delivered to the addressee. Any communication or notice so addressed and mailed will be deemed to be received and effective five (5) days after mailing. Any communication or notice given by email becomes effective 1) upon the sender's receipt of confirmation generated by recipient's email system that the notice has been received by recipient's email system or 2) recipient's confirmation of receipt, whichever is earlier. Notwithstanding this provision, the following notices may not be given by email: notice of default or notice of termination.

If to OBDD: Deputy Director
Oregon Business Development Department
775 Summer Street NE Suite 310
Salem, OR 97301-1280

If to Recipient: Public Works Director
City of Milwaukie
6101 SE Johnson Creek Boulevard
Milwaukie, OR 97206

- E. No Construction against Drafter. This Contract is to be construed as if the parties drafted it jointly.
- F. Severability. If any term or condition of this Contract is declared by a court of competent jurisdiction as illegal, invalid or unenforceable, that holding will not invalidate or otherwise affect any other provision.
- G. Amendments, Waivers. This Contract may not be amended without the prior written consent of OBDD (and when required, the Department of Justice) and Recipient. This Contract may not be amended in a manner that is not in compliance with the Act. No waiver or consent is effective unless in writing and executed by the party against whom such waiver or consent is sought to be enforced. Such waiver or consent will be effective only in the specific instance and for the specific purpose given.
- H. Attorneys' Fees and Other Expenses. To the extent permitted by the Oregon Constitution and the Oregon Tort Claims Act, the prevailing party in any dispute arising from this Contract is entitled to recover its reasonable attorneys' fees and costs at trial and on appeal. Reasonable attorneys' fees cannot exceed the rate charged to OBDD by its attorneys. Recipient shall, on demand, pay to OBDD reasonable expenses incurred by OBDD in the collection of Loan payments.
- I. Choice of Law; Designation of Forum; Federal Forum. The laws of the State of Oregon (without giving effect to its conflicts of law principles) govern all matters arising out of or relating to this Contract, including, without limitation, its validity, interpretation, construction, performance, and enforcement.

Any party bringing a legal action or proceeding against any other party arising out of or relating to this Contract shall bring the legal action or proceeding in the Circuit Court of the State of Oregon for Marion County (unless Oregon law requires that it be brought and conducted in another county). Each party hereby consents to the exclusive jurisdiction of such court, waives any objection to venue, and waives any claim that such forum is an inconvenient forum.

Notwithstanding the prior paragraph, if a claim must be brought in a federal forum, then it must be brought and adjudicated solely and exclusively within the United States District Court for the District of Oregon. This paragraph applies to a claim brought against the State of Oregon only to the extent Congress has appropriately abrogated the State of Oregon's sovereign immunity and is not consent

by the State of Oregon to be sued in federal court. This paragraph is also not a waiver by the State of Oregon of any form of defense or immunity, including but not limited to sovereign immunity and immunity based on the Eleventh Amendment to the Constitution of the United States.

- J. Integration. This Contract (including all exhibits, schedules or attachments) and the other Financing Documents constitute the entire agreement between the parties on the subject matter. There are no unspecified understandings, agreements or representations, oral or written, regarding this Contract.
- K. Execution in Counterparts. This Contract may be signed in several counterparts, each of which is an original and all of which constitute one and the same instrument.

SIGNATURE PAGE FOLLOWS

Recipient, by its signature below, acknowledges that it has read this Contract, understands it, and agrees to be bound by its terms and conditions.



STATE OF OREGON
acting by and through its
Oregon Business Development Department



CITY OF MILWAUKIE

By: _____
Edward Tabor, Infrastructure &
Program Services Director

By: _____
The Honorable Lisa M. Batey, Mayor

Date: _____

Date: _____

APPROVED AS TO LEGAL SUFFICIENCY IN ACCORDANCE WITH ORS 291.047:

Not Required per OAR 137-045-0030

EXHIBIT A - GENERAL DEFINITIONS

As used in this Contract, the following terms have the meanings below.

“Act” means “Safe Drinking Water Act,” 42 USC Sec. 300f, and all subsequent amendments, including the Amendments of 1996, Public Law 104-182.

“Award” means the award of financial assistance to Recipient by OBDD dated 15 January 2025.

“CFR” means the Code of Federal Regulations.

“Code” means the Internal Revenue Code of 1986, as amended, including any implementing regulations and any administrative or judicial interpretations.

“Costs of the Project” means Recipient’s actual costs (including any financing costs properly allocable to the Project) that are (a) reasonable, necessary and directly related to the Project, (b) permitted by generally accepted accounting principles to be Costs of the Project, and (c) are eligible or permitted uses of the Financing Proceeds under applicable state or federal statute and rule.

“Counsel” means an attorney at law or firm of attorneys at law duly admitted to practice law before the highest court of any state, who may be of counsel to, or an employee of, OBDD or Recipient.

“Financing Documents” means this Contract and all agreements, instruments, documents and certificates executed pursuant to or in connection with OBDD’s financing of the Project.

“Financing Proceeds” means the proceeds of the Forgivable Loan.

“Forgivable Loan” means the forgivable Loan described in section 2.

“Municipality” means any entity described in ORS 285B.410(9).

“ORS” means the Oregon Revised Statutes.

“Project Completion Date” means the date on which Recipient completes the Project.

“System” means Recipient’s drinking water system, which includes the Project or components of the Project, as it may be modified or expanded from time to time,

EXHIBIT B – LOAN SECURITY

- A. Full Faith and Credit Pledge. Recipient pledges its full faith and credit and taxing power within the limitations of Article XI, sections 11 and 11 b, of the Oregon Constitution to pay the amounts due under this Contract. This Contract is payable from and secured by all lawfully available funds of Recipient.
- B. Pledge of Net Revenues of the System
- (1) All payment obligations under this Contract and the other Financing Documents are payable from the revenues of Recipient’s System after payment of operation and maintenance costs of the System (“Net Revenues”). Recipient irrevocably pledges and grants to OBDD a security interest in the Net Revenues to pay all of its obligations under this Contract and the other Financing Documents. The Net Revenues pledged pursuant to the preceding sentence and received by Recipient will immediately be subject to the lien of this pledge without physical delivery, filing or any other act, and the lien of this pledge is superior to and has priority over all other claims and liens, except as provided in subsections 2 and 3 of this section B, to the fullest extent permitted by ORS 287A.310. Recipient represents and warrants that this pledge of Net Revenues complies with, and is valid and binding from the date of this Contract as described in, ORS 287A.310. The lien of the pledge made under this subsection 1 is hereinafter referred to as the “OBDD Lien”.
 - (2) Recipient shall not incur, without the prior written consent of OBDD, any obligation payable from or secured by a lien on and pledge of the Net Revenues that is on parity or superior to the OBDD Lien.
 - (3) Notwithstanding the requirements of subsection 2 of this section B, loans previously made and loans made in the future by OBDD to Recipient that are secured by the Net Revenues may have a lien on such Net Revenues on parity with the OBDD Lien; provided that nothing in this paragraph will adversely affect the priority of any of OBDD’s liens on such Net Revenues in relation to the lien(s) of any third party(ies).

EXHIBIT C - PROJECT DESCRIPTION

Recipient will procure an Oregon licensed engineer to prepare a study to evaluate the feasibility of alternatives to address Per- and Polyfluoroalkyl Substances (“PFAS”) located in the water system. Recipient will perform additional sampling and analysis of groundwater from monitoring wells and drinking water supply wells. The study will review and assess regulatory applicability to the Recipient's management of PFAS in the groundwater aquifer. Current requirements will be summarized, as well as anticipated actions by state and federal regulatory authorities. The study will include assessment of management strategies and treatment technologies available, utilizing design values from previous steps in the study. The study will also consider availability of technology, compatibility of operation with existing systems, treatment system footprint and available property, management of residuals, and cost of construction, operation and maintenance. The feasibility study must include the following elements:

- Analysis of project feasibility (e.g. engineering, regulatory, legal, et cetera).
- Analysis of alternatives for drinking water projects to address the emerging contaminant within the water system and recommended options, which will include but is not limited to, connecting to a nearby water system, developing a new water source and installing treatment.
- Estimate of up-to-date project costs for each alternative including material, labor, contingency budget, and other expenses.

- Design and/or construction timeline.
- Operational feasibility analysis including identification of expected changes in costs for ongoing operation, maintenance, and long-term replacement of the improvements.

The draft feasibility study must be submitted to OBDD for review.

EXHIBIT D - PROJECT BUDGET

Line Item Activity	OBDD Funds
Feasibility Study	\$125,000
Total	\$125,000

EXHIBIT E - INFORMATION REQUIRED BY 2 CFR § 200.332(b)(1)

Federal Award Identification:

- (i) Subrecipient* name (which must match registered name in SAM): City of Milwaukie
- (ii) Subrecipient's Unique Entity Identifier (SAM): KUHHNGGA8MT4
- (iii) Federal Award Identification Number (FAIN): 02J50601
- (iv) Federal Award Date: 20 September 2023
- (v) Sub-award Period of Performance Start and End Date: beginning at Contract execution and ending on the last day of the month occurring 24 months after the date of this Contract.
- (vi) Sub-award budget period Start and End dates: beginning at Contract execution and ending on the last day of the month occurring 24 months after the date of this Contract.
- (vii) Amount of Federal Funds Obligated by this action by the pass-through entity to the subrecipient: \$125,000
- (viii) Total Amount** of Federal Funds Obligated to the subrecipient by the pass-through entity including the current financial obligation: \$125,000
- (ix) Total Amount** of the Federal Award committed to the subrecipient by the pass-through entity: \$125,000.
- (x) Federal award project description as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA): This agreement provides funding to Oregon Health Authority under the Safe Drinking Act: Section 1452 and Infrastructure Investment and Jobs Act (IIJA) PL117-58. The purpose of this agreement is for a capitalization grant which provides funds for the recipient's Drinking Water State Revolving Fund (DWSRF) program with the primary purpose to address emerging contaminants in drinking water with a focus on projects addressing perfluoroalkyl and polyfluoroalkyl substances (PFAS). Emerging contaminants refer to substances and microorganisms, including manufactured or naturally occurring physical, chemical, biological, radiological, or nuclear materials, which are known or anticipated in the environment, that may pose newly identified or re-emerging risks to human health, aquatic life, or the environment. These substances, microorganisms or materials can include many different types of natural or manufactured chemicals and substances – such as those in some compounds of personal care products, pharmaceuticals, industrial chemicals, pesticides, and microplastics. Section 1452 of the Safe Drinking Water Act (SDWA) authorizes the state to utilize funds to further the health protection objectives of SDWA. The state has submitted an Intended Use Plan (IUP) as part of the application package for this capitalization grant. This IUP contains a list of the capital projects that address emerging contaminants that may receive funding from this grant. The recipient may also use some of the funding for specific "set-asides" to provide technical assistance to small systems, program administration, state program management and other allowable uses. The benefits of this grant will be to capitalize the recipient's DWSRF with primary purpose to address emerging contaminants in drinking water with a focus on projects addressing PFAS. The fund can be used for eligible set-aside activities related to PFAS and other emerging contaminants. These public health benefits will be statewide. Subrecipient activities include the implementation of the IIJA emerging contaminants program to ensure safe and adequate supplies of drinking water.
- (xi) Name of Federal awarding agency, pass-through entity, and contact information for awarding official of the Pass-through entity:

(a) Name of Federal awarding agency: U.S. Environmental Protection Agency

(b) Name of pass-through entity: Oregon Business Development Department

(c) Contact information for awarding official of the pass-through entity: Jon Unger, Infrastructure Programs Manager, 503-507-7107

(xii) The Federal Assistance Listing (formerly CFDA) Number and Name: 66.468 Capitalization Grants for Safe Drinking Water State Revolving Fund,
Amount: \$125,000

(xiii) Is Award R&D? No

(xiv) Indirect cost rate for the Federal award: 10%

* For the purposes of this Exhibit E, "Subrecipient" refers to Recipient and "pass-through entity" refers to OBDD.

** The total amount of federal funds obligated or committed to the Subrecipient by the pass-through entity is the total amount of federal funds obligated or committed to the

EXHIBIT F – CERTIFICATION REGARDING LOBBYING

(Awards in excess of \$100,000)

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Signed _____

Title Mayor _____

Date _____

COUNCIL STAFF REPORT

To: Mayor and City Council
Emma Sagor, Acting City Manager

Reviewed: Nicole Madigan, Deputy City Recorder

From: Scott Stauffer, City Recorder

Subject: **PSAC Member Removal and Appointment**

Date Written: Feb. 11, 2025

ACTION REQUESTED

As outlined in the Milwaukie Municipal Code (MMC) and detailed in the Boards and Committees (BC) Code of Conduct, Council is asked to consider approving a resolution to remove a member of the Public Safety Advisory Committee (PSAC) and make an appointment to fill the vacancy.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

The individual who currently occupies PSAC position 6, the Island Station Neighborhood District Association (NDA) representative, Jeff Landry, has never attended a meeting or responded to correspondence regarding meetings or attendance. Therefore, staff recommend that Council remove and replace Landry. The individual recommended for appointment as a replacement to position 6, Julie King, has been nominated by the NDA to be the neighborhood's representative.

ANALYSIS

As detailed in the Code of Conduct, Council has the authority to remove members from BCs for misconduct, nonperformance of duty, or failure to obey the federal, state, or local laws. As the PSAC member in position 6 has failed to attend committee meetings or correspond with the staff liaison or the Mayor, Council can take necessary actions to remove the member in violation from the board as authorized by MMC Chapter 2.10.040.

Authority to fill city BC vacancies is granted to the Mayor and Council by Section 26 of the City Charter. To fill vacant NDA-nominated positions, NDAs nominate individuals to represent them on the PSAC. The NDA informs city staff of the nomination, which is forwarded to Council for consideration through the regular session consent agenda. Appointed individuals serve for a term length determined by the MMC and in the case of PSAC NDA representatives, there are no term limits. Upon the completion of a term, if the individual continues to be eligible, they may be reappointed by Council to serve another term.

If appointed, this would be the nominated individual's first time serving on the committee and their first term would be served as a zero term, meaning their first term was not complete and had been started before they were appointed.

BUDGET IMPACT

It is vital for the city to have functional BCs that reflect the community they support. By making the proposed removal and appointment, Council is helping to ensure that the PSAC can continue that vital work. The proposed committee appointment has no financial impact, however certain BCs have authority to make fiscal decision recommendations.

CLIMATE IMPACT

Making appointments to the PSAC ensures we have robust representation of community voices that will help to shape and meet Milwaukie’s climate goals.

EQUITY IMPACT

Staff strive to make participation with the city’s BCs as accessible as possible by holding hybrid meetings and offering BC applications translated into other languages. The recommended PSAC appointment would help the city achieve its goal of providing a diverse spectrum of voices. The nominated individual brings experience and expertise to their nominated position.

WORKLOAD IMPACT

By holding an annual recruitment process, staff can dedicate less time throughout the year to arranging interviews and BCs can continue work uninterrupted.

COORDINATION, CONCURRENCE, OR DISSENT

The office of the city recorder (OCR) and city manager’s office staff worked with PSAC’s staff liaison and the Mayor to attempt to reach the individual named for removal.

STAFF RECOMMENDATION

Staff recommends making the following removal and appointments:

PSAC: two-year terms, no term limit for NDA representatives.

Individual to be removed:

Position	Name	Term Start Date	Term End Date
6	Jeff Landry, <i>Island Station NDA Representative</i>	7/1/2024	2/17/2025

Individual to appoint:

Position	Name	Term Start Date	Term End Date
6	Julie King, <i>Island Station NDA Representative</i>	2/18/2025	6/30/2026

ALTERNATIVES

Council could decline to make the recommended removal and/or appointment, which would result in a vacancy on the noted committee.

ATTACHMENTS

- 1. Resolution

COUNCIL RESOLUTION No.**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, REMOVING AND APPOINTING MEMBERS OF THE PUBLIC SAFETY ADVISORY COMMITTEE (PSAC).**

WHEREAS the removal portion of the Boards and Committees appointment section of the Milwaukie Municipal Code (MMC) states that members of the city’s boards, commissions, and committees serve at the pleasure of the governing body, and

WHEREAS the boards and committees code of conduct states that members are expected to attend all board and committee meetings with allowance to miss up to 25% of meetings a year, and that members may be removed at any time by the City Council for nonperformance of duty, and

WHEREAS the PSAC member named below for removal, who represents the Island Station Neighborhood District Association (NDA), has never attended a meeting or responded to correspondence regarding meetings or attendance, and

WHEREAS Milwaukie Charter Section 26 authorizes the Mayor, with the consent of the Council, to make appointments to boards and committees, and

WHEREAS a vacancy will occur once the current PSAC member is removed from position 6, and

WHEREAS the individual named below for appointment has been nominated by the Island Station NDA and staff recommend the following individual be appointed.

PSAC: Individual to be removed:

Position	Name	Term Start Date	Term End Date
6	Jeff Landry, <i>Island Station NDA Representative</i>	7/1/2024	2/17/2025

PSAC: Individual to appoint:

Position	Name	Term Start Date	Term End Date
6	Julie King, <i>Island Station NDA Representative</i>	2/18/2025	6/30/2026

Now, Therefore, be it Resolved by the City Council of the City of Milwaukie, Oregon, that the individuals named in this resolution are as named removed and appointed to the PSAC of the City of Milwaukie for the term dates noted.

Introduced and adopted by the City Council on **February 18, 2025.**

This resolution is effective immediately.

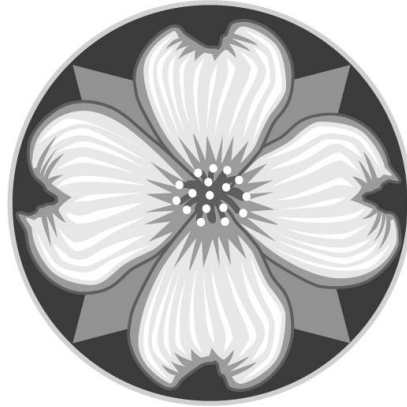
ATTEST:

Lisa M. Batey, Mayor

APPROVED AS TO FORM:

Scott S. Stauffer, City Recorder

Justin D. Gericke, City Attorney



RS Agenda Item

8

Public Hearings

COUNCIL STAFF REPORT

To: Mayor and City Council
Emma Sagor, City Manager

Date Written: Feb. 13, 2025

Reviewed: Laura Weigel, Planning Manager

From: Vera Kolias, Senior Planner

Subject: Oregon Senate Bill (SB) 1537 – Proposed Code Amendments for Compliance

ACTION REQUESTED

Council is asked to open the public hearing for land use file #ZA-2024-002 related to Oregon Senate Bill 1537 (SB 1537), discuss the proposed amendments to the Milwaukie Municipal Code (MMC) Title 19 (Zoning), take public testimony, provide direction to staff regarding any desired revisions to the proposed amendments, and vote to approve file #ZA-2024-002 and adopt the proposed ordinance and recommended Findings in Support of Approval found in Attachment 1.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

[October 15, 2024](#): Council held a work session and discussed the project and proposed amendments. Council directed staff to move forward with the proposed amendments and to seek the exemption from the application of SB 1537.

[January 28, 2025](#): Planning Commission held a public hearing and voted unanimously to recommend approval of the proposed amendments.

ANALYSIS

Please refer to the staff report from the [October 15, 2024](#) work session for a comprehensive discussion of the details of [SB 1537](#). The purpose of SB 1537, which was signed into law on March 5, 2024, is to address Oregon's housing supply and affordability crisis. The law became effective on January 1, 2025, and sunsets on January 2, 2032. The key provision addressed by the proposed code amendments is: The bill requires cities to grant administrative adjustments (variances) to local development and design standards for housing development, unless an exemption is approved.

The measure requires local governments to grant land use regulation and design adjustments (what the city refers to as a variance¹) in certain circumstances. It specifies conditions and timelines under which local governments must grant variances to existing land use regulation and design and development standards for housing development.

Exemption to SB 1537

As noted above, the measure allows a city to request an exemption from SB 1537's variance requirement if the city can show that all the listed variances are eligible for a variance within the city's code AND that within the last five years the city has approved 90 percent of requested variances. Section 19.911 of Milwaukie's zoning code provides all the applicability information and procedures for variances. Nearly all the identified variances in SB 1537 can be requested in

¹ The rest of this report will refer to adjustments as variances.

the city's existing variance code (either Type II or Type III process). Staff has prepared the necessary materials to request the exemption, and has documented that over 90% of requested variances over the last five years were approved during the land use review process. However, the city's code prohibits variances that would result in dwelling units beyond the maximum density. **Therefore, the city cannot request an exemption to that provision of SB 1537 without the proposed code amendment.**

If the city were granted an exemption, the city would process variance applications as we currently do. This would mean that variance applications would be processed as Type II or Type III applications.

Maximum Density

Please refer to the staff report from the [October 15, 2024](#) work session for a comprehensive discussion of maximum density.

To apply for an exemption from SB 1537 the city would need to change the code to allow for variances to the maximum density for single-detached dwellings and multi-unit developments. Staff also proposes to allow Type II variances for increases to maximum density by up to 25% to provide an opportunity for additional housing development. Increases beyond 25% would require a Type III variance. The applicable development standards (maximum lot coverage, setbacks, minimum landscaping, etc.) regulate the "jello mold" of structures in a development and allow the applicant to fit dwelling units into that jello mold. Density maximums only limit the number of units, not the jello mold of the structure and its relationship to the lot.

CONCLUSIONS

Staff Recommendation to Council

1. That Council vote to approve the proposed amendments to MMC Title 19 (Zoning), presented in Attachments 1-b and 1-c.
2. That Council vote to adopt the proposed ordinance and attached Findings in Support of Approval presented in Attachments 1 and 1-a, respectively.

Code Authority and Decision-Making Process

The proposal is subject to the following provisions of the MMC:

- MMC Section 19.902 Amendments to Maps and Ordinances
- MMC Section 19.1008 Type V Review

This application is subject to Type V review, which states that the Council make the final decision. Type V applications are legislative in nature and involve the creation, revision, or large-scale implementation of public policy.

Council has 4 decision-making options as follows:

- A. Approve the proposed amendments as per to the recommended Findings in Support of Approval.
- B. Approve the proposed amendments with revisions, including modifications to the recommended Findings in Support of Approval. Such modifications need to be read into the record.
- C. Deny the proposed amendments.

D. Continue the hearing.

There is no deadline for a final decision on Type V applications, as they are legislative in nature.

Comments

Notice was provided as described in MMC 19.1008, with a 30-day notice and code commentary made available online on December 26, 2024. The required 35-day notice to Metro and the Oregon Department of Land and Conservation Development (DLCD) was posted on December 23, 2024. Notice was also posted at City Hall, Public Safety Building (PSB), and the Ledding Library.

BUDGET IMPACT

None.

CLIMATE IMPACT

As with the middle housing code, implementation of regulations allowing a more efficient pattern of development through increased residential density provides opportunities for more walkability/bikeability and compact development patterns. This can lead to less dependence on motor vehicles, more transit opportunities, and more efficient use of available infrastructure.

EQUITY IMPACT

Removing barriers to development of housing is a key component of the city's housing production strategy. More importantly, the city consistently looks for ways to incentivize development of housing to provide even more opportunities to make housing possible. Providing a streamlined process to exceed maximum density increases flexibility for developers. The entire city benefits from having a wide variety of housing types at many price levels.

WORKLOAD IMPACT

While the proposed amendments may result in more variance applications, they can be absorbed into the department's current planning workplan.

COORDINATION, CONCURRENCE, OR DISSENT

None.

ALTERNATIVES

None.

ATTACHMENTS

1. Ordinance
 - a. Recommended Findings in Support of Approval (including State Findings)
 - b. Draft code amendment language (underline/strikeout)
 - c. Draft code amendment language (clean)
2. **Comments received** (if received, to be submitted under separate cover)

COUNCIL ORDINANCE No.

AN ORDINANCE OF THE CITY OF MILWAUKIE, OREGON, AMENDING THE MILWAUKIE MUNICIPAL CODE (MMC) TITLE 19 ZONING ORDINANCE FOR THE PURPOSE OF REMOVING THE PROHIBITION ON VARIANCES TO MAXIMUM DENSITY (PRIMARY FILE #ZA-2024-002).

WHEREAS it is the intent of the city to promote and support residential development to meet housing production goals; and

WHEREAS the proposed code amendments provide an opportunity to build more than the maximum density of housing on a site; and

WHEREAS legal and public notices have been provided as required by law, and multiple opportunities for public review and input have been provided; and

WHEREAS on January 28, 2025, the Planning Commission conducted a public hearing as required by MMC 19.1008.5 and adopted a motion in support of the amendments; and

WHEREAS the City Council finds that the proposed amendments are in the public interest of the city.

Now, Therefore, the City of Milwaukie does ordain as follows:

Section 1. Findings. Findings of fact in support of the amendments are adopted by the City Council and are attached as Exhibit A.

Section 2. Amendments. The Milwaukie Municipal Code (MMC) is amended as described in Exhibit B (underline/strikeout version), and Exhibit C (clean version).

Section 3. Effective Date. The amendments shall become effective immediately on the date of adoption.

Read the first time on _____ and moved to second reading by _____ vote of the City Council.

Read the second time and adopted by the City Council on _____.

Signed by the Mayor on _____.

Lisa M. Batey, Mayor

ATTEST:

APPROVED AS TO FORM:

Scott S. Stauffer, City Recorder

Justin D. Gericke, City Attorney

EXHIBIT A-1.
Findings in Support of Approval
File #ZA-2024-002
Oregon Senate Bill 1537 Code Amendments

Sections of the Milwaukie Municipal Code (MMC) not addressed in these findings are found to be inapplicable to the decision on this application.

1. The applicant, the City of Milwaukie, proposes to make code amendments to MMC Title 19 related to Oregon Senate Bill 1537 (SB 1537) and variances to maximum density. The land use application file number is ZA-2024-002.
2. The proposed amendments relate to compliance with the collection of required variances in SB 1537, which include allowing residential developments to exceed maximum density. The zoning code does not permit variances to maximum density; the proposed amendments would allow a Type III variance for developments seeking to exceed maximum density. This would provide additional opportunities for much needed residential development.
3. Amendments are proposed in the municipal code, as follows:
 - Chapter 19.900 – LAND USE APPLICATIONS
 - Section 19.911 Variances
4. The proposal is subject to the following provisions of the Milwaukie Municipal Code (MMC):
 - MMC Section 19.902 Amendments to Maps and Ordinances
 - MMC Chapter 19.1000 Review Procedures
5. Sections of the MMC not addressed in these findings are found to be not applicable to the decision on this land use application.
6. The application has been processed and public notice provided in accordance with MMC Section 19.1008 Type V Review. Public hearings were held on January 28, 2025 and February 18, 2025 as required by law.
7. MMC Chapter 19.1000 establishes the initiation and review requirements for land use applications. The City Council finds that these requirements have been met as follows.
 - a. MMC Subsection 19.1001.6 requires that Type V applications be initiated by the Milwaukie City Council, Planning Commission, Planning Manager, or any individual.

The amendments were formally initiated by the Planning Manager on December 17, 2024.
 - b. MMC Section 19.1008 establishes requirements for Type V review. The procedures for Type V Review have been met as follows:
 - (1) Subsection 19.1008.3.A.1 requires opportunity for public comment.

Opportunity for public comment and review has been provided as follows:

The City Council had a work session on October 15, 2024. The current version of the draft amendments has been posted on the application webpage since December 23, 2024.

- (2) Subsection 19.1008.3.A.2 requires notice of public hearing on a Type V Review to be posted on the City website and at City facilities that are open to the public at least 30 days prior to the hearing.

A notice of the Planning Commission's January 28, 2025 hearing was posted as required on December 23, 2024. A notice of the City Council's February 18, 2025 hearing was posted as required on January 14, 2025.

- (3) Subsection 19.1008.3.A.3 requires notice be sent to individual property owners if the proposal affects a discrete geographic area or specific properties in the City.

The proposed amendments will apply to all zones that permit residential development. Therefore, notices were not sent.

- (4) Subsection 19.1008.3.B requires notice of a Type V application be sent to the Department of Land Conservation and Development (DLCD) 35 days prior to the first evidentiary hearing.

Notice of the proposed amendments was sent to DLCD on December 23, 2024.

- (5) Subsection 19.1008.3.C requires notice of a Type V application be sent to Metro 35 days prior to the first evidentiary hearing.

Notice of the proposed amendments was sent to Metro on December 23, 2024.

- (6) Subsection 19.1008.3.D requires notice to property owners if, in the Planning Director's opinion, the proposed amendments would affect the permissible uses of land for those property owners.

The proposed amendments will apply to properties in zones that permit residential development and do not affect the already permitted uses on those properties.

- (7) Subsection 19.1008.4 and 5 establish the review authority and process for review of a Type V application.

The Planning Commission held a duly advertised public hearing on January 28, 2025 and passed a motion recommending that the City Council approve the proposed amendments. The City Council held a duly advertised public hearing on February 18, 2025 and approved the amendments.

8. MMC 19.902 Amendments to Maps and Ordinances

- a. MMC 19.902.5 establishes requirements for amendments to the text of the zoning ordinance. The City Council finds that these requirements have been met as follows.

- (1) MMC Subsection 19.902.5.A requires that changes to the text of the land use regulations of the Milwaukie Municipal Code shall be evaluated through a Type V review per Section 19.1008.

The Planning Commission held a duly advertised public hearing on January 28, 2025 and passed a motion recommending that the City Council approve the proposed amendments. The City Council held a duly advertised public hearing on February 18, 2025 and approved the amendments. Public notice was provided in accordance with MMC Subsection 19.1008.3.

- (2) MMC Subsection 19.902.5.B establishes the approval criteria for changes to land use regulations of the Milwaukie Municipal Code.

- (a) MMC Subsection 19.905.B.1 requires that the proposed amendment be consistent with other provisions of the Milwaukie Municipal Code.

The proposed amendments coordinate and are consistent with other provisions of the Milwaukie Municipal Code.

- (b) MMC Subsection 19.902.5.B.2 requires that the proposed amendment be consistent with the goals and policies of the Comprehensive Plan.

The goals and policies of the Comprehensive Plan support the amendments to permit additional residential density subject to Type III variance approval.

- (c) Section 7 – Housing:

Provide safe, affordable, stable housing for Milwaukie residents of every socioeconomic status and physical ability within dwellings and neighborhoods that are entirely equitable, delightfully livable, and completely sustainable.

- (a) Policy 7.1.2

Establish development standards that regulate size, shape, and form and are not exclusively focused on regulating density.

The proposed amendments remove the prohibition on seeking variances that have the effect of allowing a development to exceed maximum density. The proposed amendments include a Type II variance to increase maximum density by 25%. Any requests over 25% would be processed as a Type III variance. Under the current code, only single detached dwellings and multi-unit dwellings are subject to maximum density limitations. While the city works to review overall maximum density regulations, the proposed amendments would allow applicants to seek a variance to this standard. The code already has development standards that would regulate the size and overall massing of a development; the variance would allow the number of units within a development to increase providing more housing opportunities.

- (d) MMC Subsection 19.902.5.B.3 requires that the proposed amendment be consistent with the Metro Urban Growth Management Functional Plan and relevant regional policies.

The proposed amendments were sent to Metro for comment. Metro did not identify any inconsistencies with the Metro Urban Growth Management Functional Plan or relevant regional policies. The proposed code amendments are in compliance with Metro's Functional Growth Management Plan.

- (e) MMC Subsection 19.902.5.B.4 requires that the proposed amendment be consistent with relevant State statutes and administrative rules, including the Statewide Planning Goals and Transportation Planning Rule.

The proposed amendments were sent to the Department of Land Conservation and Development (DLCD) for comment. The DLCD did not identify any areas where the proposed amendments were inconsistent with State statutes and administrative rules.

- (f) MMC Subsection 19.902.5.B.5 requires that the proposed amendment be consistent with relevant federal regulations.

The City Council finds that the Federal Fair Housing Amendments Act of 1988 is relevant to the proposed amendments. The proposed amendments provide a clear and objective review process for middle housing development in the residential zones.

EXHIBIT A-2.

Statewide Findings for Milwaukie Code Amendments – Maximum Density

This memo summarizes the consistency of the proposed code amendments with the following statewide goals, as well as key Oregon Revised Statutes (ORSs) and Oregon Administrative Rules (OARs):

- Goal 10: Housing

Other Statewide Planning Goals are not directly applicable to the proposed code amendments.

Consistency with the applicable goals is a requirement for any amendment to a City's land use ordinances.

Based on the findings described below, the proposed code amendments comply with the applicable Statewide Goals and associated ORS and OAR provisions.

Goal 10: Housing

Goal 10: Housing

Goal 10: To provide for the housing needs of citizens of the state.

Finding: Goal 10 requires the City to maintain and plan for an adequate land supply to accommodate at least 20 years of future growth, providing flexibility in housing location, type, and density to ensure the availability and prices of housing units are commensurate with the needs and financial capabilities of Oregon households. Comprehensive plans are required to include an analysis of community housing needs by type and affordability, an assessment of housing development potential, and an inventory of residential land; contain policies for residential development and supportive services based on that analysis that increase the likelihood that needed housing types will be developed; and provide for an adequate supply of a variety of housing types consistent with identified policies and meeting minimum density and housing mix requirements (established by OAR 660, Division 007).

In 2017 the City adopted its Community Vision which includes the following statement about housing:

“Milwaukie invests in housing options that provide affordability, high quality development and good design, promoting quality living environments. It maintains the small neighborhood feel through creative use of space with housing options that embrace community inclusion and promotes stability.”

In order to realize the full vision for the community the next step was to complete a full overhaul of its Comprehensive Plan which was adopted in 2020. The housing component of the plan is critical to realizing the vision and Council has made housing a top priority of the City for the last several years.

In addition to the updated Comprehensive Plan policies supporting housing affordability, equity and choices, the City has conducted several recent planning efforts aimed at addressing similar goals, including the following.

The City's 2023 [Housing Capacity Analysis \(HCA\)](#), Housing Needs Analysis (HNA), included findings that demonstrate that Milwaukie currently has a range of housing types, including single-family detached and attached homes, duplexes, multi-family, and mixed-use developments, and has sufficient capacity to provide for needed housing during the next 20 years. Over that timeframe, the need for new housing developed in Milwaukie will generally include a wider range of housing types and housing that is more affordable. Milwaukie needs a broader range of housing types with a wider range of price points than are currently available in Milwaukie's housing stock. This includes providing opportunity for the development of housing types across the affordability spectrum, such as single-dwelling detached housing (e.g., small-lot single-dwelling detached units, cottages, accessory dwelling units, and "traditional" single-dwelling homes), town houses, duplexes, triplexes, quadplexes, and multi-dwelling buildings with five or more units. The forecast for new dwelling units needed over the next 20 years is a total of 1,670.

The 2023 **Milwaukie [Housing Production Strategy \(HPS\)](#)** is a blueprint for providing equitable housing opportunities and is intended to help increase the amount of housing in the City. It identifies and describes possible steps to support development of new affordable housing, preserve existing affordable housing, stabilize households at risk of displacement, and help address houselessness. The HPS is intended to provide the City with additional options to support affordable housing development and preservation. Individually, these actions may not result in a large change in the availability of affordable housing, but they provide the City with policies to support development proposals that can create substantial change in the availability of affordable housing. The actions in the HPS are intended to encourage the development of more affordable and diverse housing types; grow partnerships with housing providers, developers, and agencies involved in housing issues; and increase housing stability for Milwaukie residents. Increasing capacity, particularly in the high density residential zone, is a key strategy involving increasing density to allow for more development of multi-unit housing.

While the city works on an initiative to increase residential densities, the proposed code amendments are targeted toward increasing density via variances. Maximum density standards generally apply only to single detached and multi-unit dwellings. The existing code prohibits variances that would have the effect of exceeding maximum density. The proposed amendments remove that prohibition and include a Type II variance when increasing density up to 25% over the maximum density. By allowing density increases beyond the maximum, housing choice and opportunities to expand housing options are made possible.

The city's Community Development Department will continue to work on ways to assist in the development of housing, provide incentives for regulated affordable housing development,

provide incentives for the retention or conversion of existing affordable housing supply, and provide incentives and reduce barriers within the development code.

Based on the findings above, the Comprehensive Plan Amendment is consistent with Statewide Planning Goal 10.

Underline/strikeout Amendments

CHAPTER 19.900 LAND USE APPLICATIONS

19.911 Variances

19.911.2 Applicability

B. Ineligible Variances

A variance may not be requested for the following purposes:

1. To eliminate restrictions on uses or development that contain the word "prohibited."
2. To change a required review type.
3. To change or omit the steps of a procedure.
4. To change a definition.
- ~~5. To increase, or have the same effect as increasing, the maximum permitted density for a residential zone.~~
- ~~6. 5.~~ To justify or allow a Building Code violation.
- ~~7. 6.~~ To allow a use that is not allowed outright by the base zone. Requests of this nature may be allowed through the use exception provisions in Subsection 19.911.5, nonconforming use replacement provisions in Subsection 19.804.1.B.2, conditional use provisions in Section 19.905, or community service use provisions in Section 19.904.

19.911.3 Review Process.

B. Type II Variances

Type II variances allow for limited variations to numerical standards. The following types of variance requests shall be evaluated through a Type II review per Section 19.1005:

1. A variance of up to 40% to a side yard width standard.
2. A variance of up to 25% to a front, rear, or street side yard width standard. A front yard width may not be reduced to less than 15 ft through a Type II review.
3. A variance of up to 10% to lot coverage or minimum vegetation standards.
4. A variance of up to 10% to lot width or depth standards.
5. A variance of up to 10% to a lot frontage standard.
6. A variance to compliance with Subsection 19.505.1.C.4 Detailed Design, or with SubSection 19.901.1.E.4.c.(1) in cases where a unique and creative housing design merits flexibility from the requirements of that subsection.
7. A variance to compliance with Subsection 19.505.7.C Building Design Standards in cases where a unique design merits flexibility from the requirements of that subsection.
8. A variance to fence height to allow up to a maximum of 6 ft for front yard fences and 8 ft for side yard, street side yard, and rear yard fences. Fences shall meet clear vision standards provided in Chapter 12.24.
9. A variance of up to a 25% increase in the size of an Accessory Dwelling Unit as identified in Subsection 19.910.1.E.4.
10. A variance to interior height of a garage in a cottage cluster to allow up to a maximum of 15 ft for cases that would use space saving parking technology (e.g., interior car stacking) that might require additional interior height.
11. For any middle housing development, except townhouses and cottage clusters, that includes at least one dwelling unit that is affordable that meets the exemption standards as defined in Section 3.60.050, the minimum setbacks in Table 19.301.4 may be reduced to the following:
 - a. Front yard: 10 ft
 - b. Rear yard: 10 ft
 - c. Side yard: 5 ft

d. Street side yard: 10 ft

12. A variance of up to a 25% increase to the maximum density standard in residential and mixed-use zones.

Clean Amendments

CHAPTER 19.900 LAND USE APPLICATIONS

19.911 Variances

19.911.2 Applicability

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A variance may not be requested for the following purposes:

1. To eliminate restrictions on uses or development that contain the word "prohibited."
2. To change a required review type.
3. To change or omit the steps of a procedure.
4. To change a definition.
5. To justify or allow a Building Code violation.
6. To allow a use that is not allowed outright by the base zone. Requests of this nature may be allowed through the use exception provisions in Subsection 19.911.5, nonconforming use replacement provisions in Subsection 19.804.1.B.2, conditional use provisions in Section 19.905, or community service use provisions in Section 19.904.

19.911.3 Review Process.

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2. A variance of up to 25% to a front, rear, or street side yard width standard. A front yard width may not be reduced to less than 15 ft through a Type II review.
3. A variance of up to 10% to lot coverage or minimum vegetation standards.
4. A variance of up to 10% to lot width or depth standards.
5. A variance of up to 10% to a lot frontage standard.
6. A variance to compliance with Subsection 19.505.1.C.4 Detailed Design, or with SubSection 19.901.1.E.4.c.(1) in cases where a unique and creative housing design merits flexibility from the requirements of that subsection.
7. A variance to compliance with Subsection 19.505.7.C Building Design Standards in cases where a unique design merits flexibility from the requirements of that subsection.
8. A variance to fence height to allow up to a maximum of 6 ft for front yard fences and 8 ft for side yard, street side yard, and rear yard fences. Fences shall meet clear vision standards provided in Chapter 12.24.
9. A variance of up to a 25% increase in the size of an Accessory Dwelling Unit as identified in Subsection 19.910.1.E.4.
10. A variance to interior height of a garage in a cottage cluster to allow up to a maximum of 15 ft for cases that would use space saving parking technology (e.g., interior car stacking) that might require additional interior height.
11. For any middle housing development, except townhouses and cottage clusters, that includes at least one dwelling unit that is affordable that meets the exemption standards as defined in Section 3.60.050, the minimum setbacks in Table 19.301.4 may be reduced to the following:
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 - b. Rear yard: 10 ft
 - c. Side yard: 5 ft

d. Street side yard: 10 ft

12. A variance of up to a 25% increase to the maximum density standard in residential and mixed-use zones.



RS 8. A. 2/18/25
Presentation

DENSITY CODE AMENDMENTS (SB 1537) ZA-2024-002

City Council Public Hearing
February 18, 2025

Vera Kolas, Senior Planner

SB 1537 – PURPOSE

- Addresses housing supply and affordability
- Effective Jan 1, 2025 – Jan 2, 2032
 - Establishes a new Housing Accountability and Production Office;
 - Funds new infrastructure programs and other land readiness costs to support housing development;
 - Establishes a new state revolving loan fund; and
 - Provides a one-time Urban Growth Boundary (UGB) expansion tool, among other land use changes.



SB 1537 – PURPOSE

Requires cities to grant administrative adjustments (variances) to local siting and design standards for housing development

- Up to 10 distinct variances
- Specific conditions and timelines
- Only the applicant may appeal



POTENTIAL EXEMPTION

There is a potential exemption to being required to allow any of these variances.



UNDER SB1537

- Applicant qualifies for up to 10 variances IF development :
 - Is located in a Residential or Mixed Use zone
 - Meets minimum density of 17 du/acre
 - Includes a net increase in new housing units:
 - Single detached
 - Mixed Use with 75% residential
 - Manufactured dwelling parks
 - Accessory Dwelling Unit
 - Middle housing



SUMMARY OF CRITERIA

At least one of the following must apply

- Variances will:
 - enable development otherwise not feasible
 - reduce the sale or rental price
 - Increase the number of units
 - Enable provision of accessibility or visitability features
 - All units affordable to moderate income for 30 years
 - 20% affordable to low income for 60 years
 - All units affordable to moderate income for 90 years (co-op, land trust, etc)



LIST OF VARIANCES

Development Standards

All developments	All developments except SFR	
Common area/landscaping: 25% reduction	Reduction to Min. bike parking	Required balconies/porches
Parking minimum: (N/A)	Max. building height (20 ft/1 story increase)	Required recesses/offsets
Min. lot size: 10% decrease	Max. density - increase	Bldg orientation
Max. lot coverage: 10% increase	Ground floor residential – to allow	Bldg height transition
Side/rear setbacks: 10% decrease	Ground floor non-residential – to allow	



LIST OF VARIANCES

Design Standards

- Façade materials, color
- Façade articulation
- Roof forms and materials
- Entry and garage door materials
- Garage door orientation
- Window materials
- Total window area: 30% variance; 12% required



REVIEW PROCESS

- Nonconforming review = Type II
 - Only applicant may appeal
- The measure sunsets on January 2, 2032
 - Apply as needed



EXEMPTION TO SB 1537

If city can show that any of the listed variances are eligible
for a variance, AND

That within the last 5 years the city has approved 90% of
requested variances

**THE CITY CAN REQUEST AN EXEMPTION FROM APPLYING THE
STATUTE TO THOSE STANDARDS**



EXEMPTION TO SB 1537

Milwaukie can provide evidence of both -
except that current code prohibits variances to exceed maximum density in multi-family and single detached dwelling development.

- Middle housing is exempt from maximum density limits (except townhouses)
- Planned Developments are only way to exceed density (20% limit)



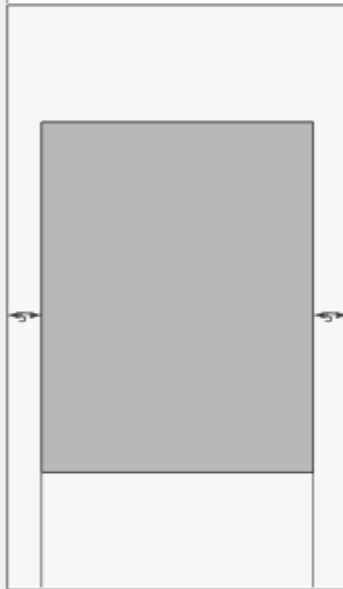
MAXIMUM DENSITY

- Maximum density limits number of units, not size of the structure
- Code relies primarily on development standards to regulate site development
 - Setbacks, lot coverage, landscaping, tree code, etc.

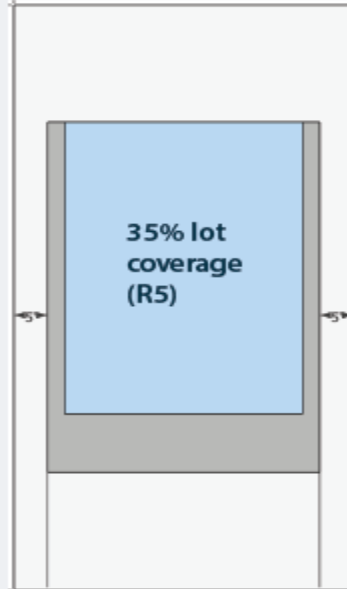


MAXIMUM DENSITY

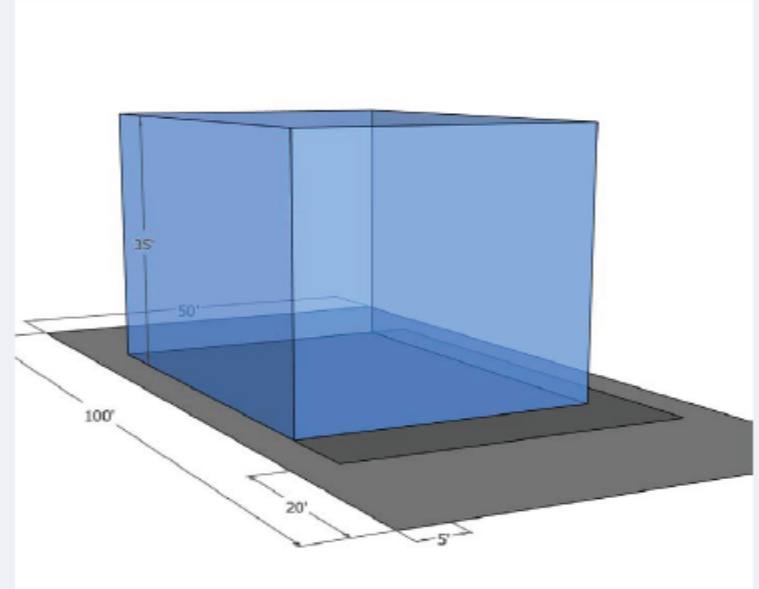
Setbacks



Lot Coverage



"Jello mold"



MAXIMUM DENSITY

- For single detached dwellings, maximum density applies during land division only.
 - Density standards tagged to lot size
 - Would require variance to min. lot size in a subdivision
- City must allow variance to max. density (only in single dwelling and multi-dwelling units) to qualify for exemption to that standard



PROPOSED AMENDMENTS

- Amend the code to allow a variance to maximum density.
- Allow a Type II variance for increases to maximum density by up to 25%. (NEW)
 - Allows for more development opportunity of much-needed housing.



Public Hearing Notification Process

- Dec. 23: 35-day notice to DLCD and Metro
- Dec. 26: 30-day notice posted with Code Commentary



Comments Received

- None



DECISION MAKING OPTIONS

1. Approve the proposed amendments per the recommended Findings in Support of the Approval (staff recommendation).
2. Approve the proposed amendments with revisions, including modifications to the recommended Findings in Support of Approval (modification must be read into the record).
3. Deny the proposed amendments.
4. Continue the hearing.



END OF PRESENTATION



CONTACT Us

Vera Kolas, Senior Planner

koliasv@milwaukieoregon.gov



COUNCIL STAFF REPORT

To: Mayor and City Council
Emma Sagor, City Manager

Date Written: Jan 23, 2025

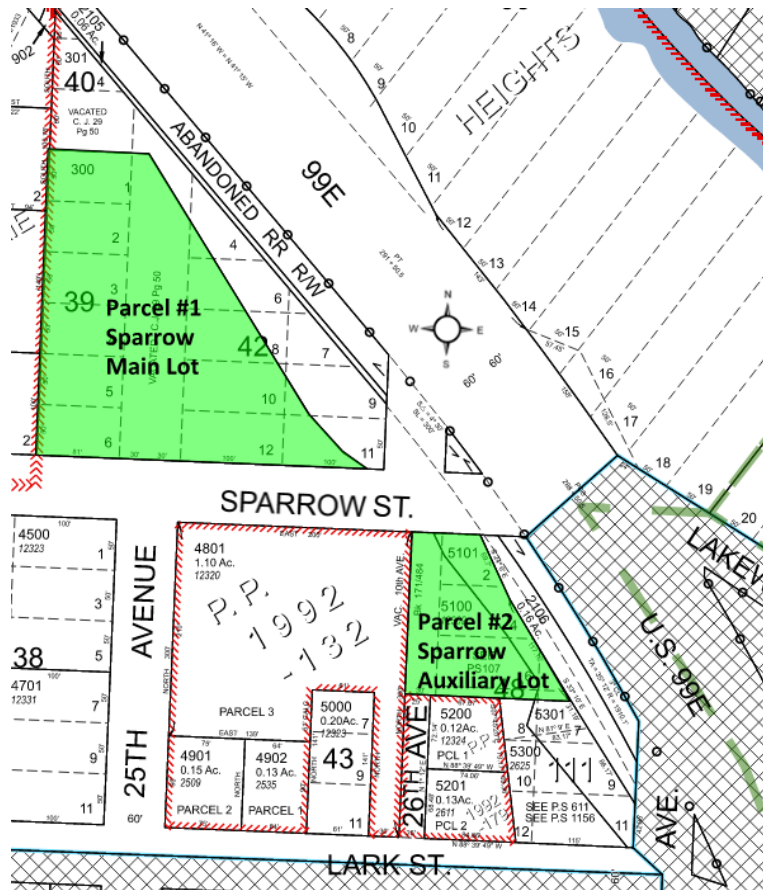
Reviewed: Joseph Briglio, Assistant City Manager and
Acting Community Development Director

From: Mandy Byrd, Development Project Manager

Subject: **Sparrow Site Project Surplus Hearing**

ACTION REQUESTED

Council is asked to hold a public hearing per Milwaukie Municipal Code (MMC) Chapter 3.15.015 (Disposal of Standard Undeveloped and Developed Property) to declare the 1.96-acre Main Lot (0300) and 0.30-acre Auxiliary Lot (5100) of real property owned by the city, further illustrated as “Parcels 1 and 2” in the image below, as surplus and to further authorize the city manager to convey the properties through a request for proposals (RFP) process for development.



HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

[June 20, 2018](#): Staff met with the Island Station Neighborhood District Association (NDA) to provide an in-person update of city plans to land bank property for the purpose of housing development opportunities.

[March 19, 2019](#): Council delegated signing authority to the city manager to purchase the Sparrow Site from TriMet for \$33,287.

[February 18, 2020](#): Council reviewed and provided input on development goals and received an update on the proposed project community engagement plan.

[January 19, 2021](#): Council received an update on the Sparrow Site and reviewed project goals.

[March 16, 2021](#): Council received an update on the Sparrow Site, the Site Access Study, and reviewed project goals.

[April 6, 2021](#): Council received an update on the Sparrow Site, the Site Access Study, and reviewed project goals.

[May 18, 2021](#): Council considered a resolution to approve the project goals for the TriMet Remnant Lot (Sparrow Site).

[June 1, 2021](#): Council adopted a resolution to approve the project goals for the TriMet Remnant Lot (Sparrow Site).

[June 8, 2021](#): Council held an executive session and received an update on the Sparrow Site, the results of the Site Access Study, and reviewed property acquisition options.

[June 21, 2022](#): Council delegated signing authority to the city manager to purchase the 0.30-acre site at 12302 SE 26th Ave (Tax Lot No. 11E36CC05100) (the “Sparrow Auxiliary Site”) from the Tri-County Metropolitan Transportation District (TriMet) within the incorporated area of Milwaukie for the agreed amount of \$84,000. The deed for this purchase was recorded on January 17, 2023.

[September 17, 2024](#): Council received a project update and provided general direction on the project goals for Sparrow.

[December 10, 2024](#): Council held a study session to learn more about ownership models for affordable housing.

[December 17, 2024](#): Council discussed and gave final direction on the 2024 updated Sparrow Site project goals.

[January 7, 2025](#): Council approved the updated project goals.

ANALYSIS

Background

In March 2019, the city acquired the Sparrow Main Lot from TriMet for \$33,287 for the development of housing to meet the city’s affordable housing goals as outlined in the Milwaukie Housing Affordability Strategy (MHAS). In 2022, the city acquired the Sparrow Auxiliary Lot from Tri-Met, to assist with access improvements along 26th Ave between Lark Street and Sparrow Street.

The Sparrow Site is located at the corner of Sparrow Street and 25th Avenue in the Island Station neighborhood. The site is considered a brownfield (defined as a property where redevelopment is complicated by actual or perceived environmental contamination) and will require clean-up to comply with the purchase agreement. A remedial action plan is due to Oregon Department of Environmental Quality (DEQ) for the site by August 5, 2025.

Next Steps

Once Council declares the two properties surplus, the next steps in the disposition process will be for the city to issue an RFP that incorporates the approved project goals. Staff will come back to council with the results of the solicitation.

BUDGET IMPACT

The city previously expensed General Fund dollars from the community development department budget to acquire the Sparrow Site (both the Main Lot 0300 and the Auxiliary Lot 5100). The Site Access Study determined that access to the site will require capital improvement resources, which are not currently budgeted for in the 2025-2026 biennium budget.

As the city moves forward with an RFP process in search of a development partner, it is possible for the city to use Construction Excise Tax (CET) Fund dollars to further support and incentivize affordable housing development on the site.

CLIMATE IMPACT

The city's 2023 climate goals update indicated that transportation emissions amount to 52% of Milwaukie's total emissions. Transit Oriented Development (TOD) housing projects, like the Sparrow Site, have the potential to mitigate transportation-related carbon emissions by promoting access to alternative and public transportation. Street and pedestrian improvements provided by the Safe Access for Everyone program that are a part of the project also mitigate greenhouse gas emissions through increased access to alternative transportation infrastructure.

Environmental remediation may improve the possibility of healthy vegetation on the site, which could align with city canopy goals if appropriate tree preservation and arboricultural construction practices are followed. The Sparrow Site development will help implement the city's Comprehensive Plan, which includes the city's climate action goals.

Additionally, two of the proposed project goals are specifically targeted at increasing the project's climate impact including: 1) preservation of the tree canopy, and 2) sustainable and energy efficient design and construction methods.

EQUITY IMPACT

The housing crisis has a disproportional impact on marginalized populations. If the Sparrow project comes to fruition, it could potentially create much needed affordable housing for underserved community members. This will promote the city's equity goals by creating housing units affordable to a more diverse population.

Additionally, two of the proposed project goals are specifically targeted at increasing the project's equity impact including: 1) good faith efforts to diversify contracting, and 2) affirmative outreach to diversify future residents of the property.

WORKLOAD IMPACT

The city's assistant city manager, community development director, and development project manager, as well as public works, planning, and engineering staff will work together to facilitate this project.

COORDINATION, CONCURRENCE, OR DISSENT

The city manager, assistant city manager, city attorney, community development director, and development project manager have coordinated on this effort.

STAFF RECOMMENDATION

Staff recommend declaring the Sparrow Main and Auxiliary lots to be surplus, and to then move forward with an RFP and property disposition.

ALTERNATIVES

Council may elect to not declare the properties surplus and not move forward with a sale or transfer at this time.

ATTACHMENTS

1. Resolution
2. Notice of Public Hearing and Map Affidavit
3. Newspaper Notice of Public Hearing

COUNCIL RESOLUTION No.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, DECLARING THE TWO (2) SPARROW SITE LOTS SURPLUS AND AUTHORIZING THE CITY MANAGER TO SELL, TRANSFER, OR LEASE THE PROPERTIES FOR DEVELOPMENT.

WHEREAS the city purchased the Sparrow Site (Tax Lot No. 11E36CC00300) from TriMet in March 2019 for redevelopment targeted to help meet the city’s affordable housing goals; and

WHEREAS the city developed project goals to be included in a request for proposals (RFP) for development of the Sparrow Site based on the city’s affordable housing goals and City Council’s input; and

WHEREAS to accomplish the project goals through an RFQ/P for future development, the acquisition of an additional parcel (Sparrow Auxiliary Site) was needed for right-of-way access improvements; and,

WHEREAS the city purchased the Sparrow Auxiliary Site (Tax Lot No. 11E36CC05100) from TriMet in January 2023; and

WHEREAS the two Sparrow Site lots ought to be considered surplus for the conveyance of the sites will serve in the public interest.

Now, Therefore, be it Resolved by the City Council of the City of Milwaukie, Oregon, that the properties described as Tax Lot No. 11E36CC00300 and Tax Lot No. 11E36CC05100 are designated as surplus and, in compliance with Milwaukie Municipal Code (MMC) 3.15.015, the city manager or designee is authorized to sell, transfer, or lease the properties as defined by the minimum terms set by the City Council.

Introduced and adopted by the City Council on **February 18, 2025.**

This resolution is effective immediately.

Lisa M. Batey, Mayor

APPROVED AS TO FORM:

ATTEST:

Scott S. Stauffer, City Recorder

Justin D. Gericke, City Attorney



CITY OF MILWAUKIE

NOTICE OF PUBLIC HEARING

Disposition of Real Property

The **Milwaukie City Council** will hold a public hearing at 6:00 p.m. on **Tuesday, February 18, 2025**, at Milwaukie City Hall, 10501 SE Main Street, to consider a proposal to declare the 1.96-acre Sparrow Main Lot (0300) and 0.30-acre Sparrow Auxiliary Lot (5100) of real property owned by the city, further illustrated as “Parcels 1 and 2” on the attached map, surplus and authorize the city manager to convey the properties through a request for proposals (RFP) process. This public hearing is being held per the requirements of Milwaukie Municipal Code (MMC) 3.15.060.

Summary of Proposal

- The two properties are located in the Island Station neighborhood near the intersection of SE Sparrow St and SE 25th and 26th Avenues. The properties for surplus are further shown on the attached map.
 - The Sparrow Main Lot (tax lot 11E36CC00300) is vacant and made up of approximately 1.96 acres, 1.09 acres of which is flat, treeless land, while the remainder of the lot contains trees and slope.
 - The Sparrow Auxiliary Lot is located at 12302 SE 26th Ave (tax lot 11E36CC05100). The parcel is made up of 0.30 acres, which is tree covered.
 - The two parcels are proposed to be released through an RFP.
- Per MMC 3.15.060:
 - The proposed sale or transfer of real property shall be set for a public hearing before Council.
 - Notice of the hearing shall be published at least 5 days prior to the hearing and notice shall be given to property owners within 300 ft of the subject property.
 - Public testimony will be taken at the hearing.
 - After the hearing, the Council shall decide whether it will offer the property for sale or transfer through a development solicitation process. The Council may direct the sale or transfer of the property only after it determines that the property is surplus to the City’s needs.

To learn more about a proposal: Call the staff contact assigned to the proposal. The staff report on the proposal will also be available for public viewing after 8 a.m. on **Wednesday, February 12, 2025** on the City’s website at: <http://www.milwaukieoregon.gov/meetings>

To comment on a proposal: You are invited to attend this hearing or submit comments in writing before the meeting time. You may send written comments in advance to the staff contact listed below, or you may submit your comments in person at the hearing. If you want to present verbal testimony, either pro, con, or to raise questions, you will be invited to speak following the applicant’s testimony. All written and verbal comments become part of the permanent record.

If you have any questions, please contact Mandy Byrd, Development Project Manager at 503-786-7692 or byrdm@milwaukieoregon.gov.

The City of Milwaukie is committed to providing equal access to information and public meetings per the Americans with Disabilities Act (ADA). If you need special accommodations, please call 503-786-7600 at least 48 hours prior to the meeting.

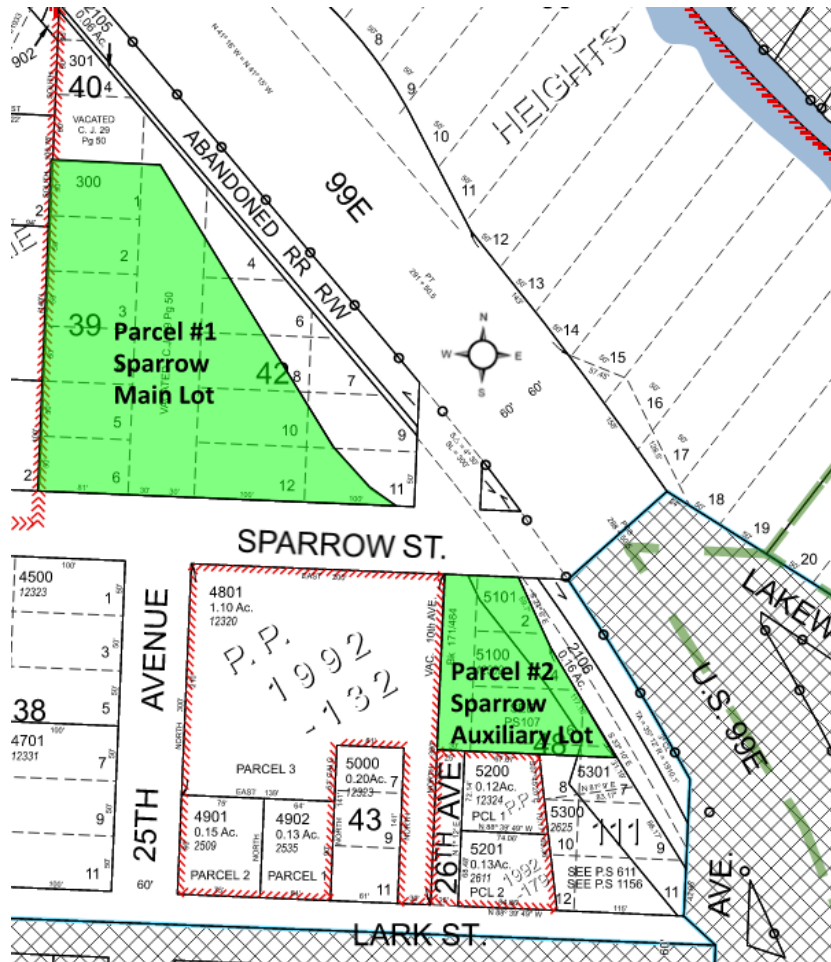


Figure 1 – The Sparrow Site Surplus Hearing is for the two (2) parcels highlighted in green above.

Ad Content Proof

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**RS 8. B. 2/18/25
Presentation**

SPARROW SITE Surplus Hearing

City Council
February 18, 2025

Mandy Byrd, Development Project Manager
byrdm@milwaukieoregon.gov



Sparrow Site – Surplus Hearing

Purpose

- ***A Surplus Hearing*** is required (per MMC 3.15.015), authorizing staff to release an RFP for development of the Sparrow Properties

Required Steps

- ***Newspaper Notice*** published in a newspaper at least five days prior to hearing (*published in the Oregonian 02/12/25*)
- ***Mailing Notice*** to property owners within a 300-foot radius at least five days prior to hearing (*mailed 02/10/2025*)

Sparrow Site – Overview

2019

The city purchased lot 0300 from TriMet

2022

The city purchased lot 5100 from TriMet

2025

Council adopted updated Project Goals



Sparrow Site – Project Goals*

1. **Affordable homeownership**
2. **Preference for family-sized units**
3. **Equity in contracting and workforce development**
4. **Preservation of the tree canopy**
5. **Sustainable design**
6. **Affirmative outreach**
7. **Minimize need for City financing**
8. **Timely project delivery**

**Goals as shown are abbreviated, for full text please see Council Resolution 3-2025, dated January 7, 2025.*

Sparrow Site - Next Steps

2025

- City Council Surplus Hearing
- Replat
- Release RFP
- RFP Selection Committee
- Developer/Owner Selection
- Public Engagement
- Begin Site Design

2026

- Complete Site Design
- Remedial Action Plan
- Permitting
- Access/ROW Improvements
- Brownfield Mitigation
- Construction Begins





RS Agenda Item

9

Council Reports

**RS 9. A. 2/18/25
Presentation**

Legislative & Regional Issues

February 18, 2025



Key Dates

- 1/21 – Session Began
- 2/25 – Measure Introduction Deadline
- 2/26 – Revenue Forecast
- 4/9 – First Chamber Deadline
- 5/14 – Revenue Forecast
- 5/23 – Second Chamber Deadline
- 6/29 – Constitutional Sine Die

<https://www.oregonlegislature.gov/calendar>



Legislation

* = Council Letter Sent

- **Building** (Councilor Massey)
 - **HB2830** Restricts use of pipes that met standards (nothing scheduled)
- **Clean Energy** (Gavares)
 - **SB888** Prohibits local gov't. from limiting residential natural gas (nothing scheduled)
 - **SJR32** Constitutional Amendment to provide the right to use natural gas (nothing scheduled)
- **Climate** (Gavares)
 - **SB682** Uses a polluters model based on GHG emissions for Climate Superfund Cost Recovery Program within DEQ (nothing scheduled)



Legislation

* = Council Letter Sent

- **Crimes** (Mayor Batey, MMC)
 - **SB473** Makes threatening a public official a crime (nothing scheduled)
- **Elections** (Stauffer)
 - **SB580** requires election filings to be posted online (nothing scheduled)



Legislation

* = Council Letter Sent

- **Energy Affordability** (Mayor Batey & Gavares)
 - **HB2081** One Stop Shop 2.0, home resilience assistance (nothing scheduled)
 - **HB3179** Relates to affordable residential energy ratemaking (hearing 2/20)
 - **HB3336** Relates to electric transmission systems (nothing scheduled)
 - **SB88** Get the Junk Out of Rates, energy rates (nothing scheduled)
 - **SB553** Requires OR DOE to study data center power use (nothing scheduled)



Legislation

* = Council Letter Sent

- **Fences** (Mayor Batey, MMC)
 - **HB2135** Allows battery-charged fences on non-res. properties (nothing scheduled)
- **Funding** (Mayor Batey, MMC)
 - **HB2411** Industrial site readiness funding (nothing scheduled)
 - **SB5528** DLCDC Budget, grant funding for local governments (nothing scheduled)
- **Housing** (Mayor Batey, MMC)
 - **HB3031** Housing study (nothing scheduled)
 - **SB2698** Statewide home ownership goal (hearing 2/19)



Legislation

* = Council Letter Sent

- **Land Use** (Mayor Batey, Weigel, LOC)
 - **HB2075** Brownfields remediation (nothing scheduled)
 - **HB2950** Requires DLCDD to update “citizen involvement” goal (nothing scheduled)
 - **SB2138** Governor’s housing bill (nothing scheduled)
- **Measures 5 and 50** (Mayor Batey)
 - **HB2321*** addresses impacts on disadvantaged communities/rentals (nothing scheduled)
 - **HB2333*** addresses impacts on local governments (nothing scheduled)
 - **HB2334*** addresses impacts on higher education (nothing scheduled)
 - **HB2335*** addresses impacts on jurisdictions, alternate revenue (nothing scheduled)



Legislation

- **Notary Publics** (Stauffer)
 - **HB2951** Directs SOS to maintain online database of notarial acts ([hearing 2/19](#))
- **Records** (Stauffer... LOC/OAMR/PRAC)
 - **HB2533** Extends retention period for certain records ([nothing scheduled](#))
 - **HJR2** Constitutional Amendment to change unfunded mandates for local governments, including public record and meeting fees ([nothing scheduled](#))
 - **(LC)** Records legislation placeholder
 - **(LC)** Pull back OGEC PML authority



Legislation

- **Training (?)** (Councilor Massey)
 - (LC) Operator in Training apprenticeship Bill
- **Transportation** (Gavares)
 - **HB2430** EV registration fee increase (nothing scheduled)
 - **HB2963** E-bike rebate program (nothing scheduled)
 - **HB3119** Advanced Clean Trucks rule attachment (nothing scheduled)
 - **SB509** Prohibits Environmental Quality Commission from adopting motor vehicle emission standards like California (nothing scheduled)



Legislation

- **Urban Growth** (Mayor Batey, MMC)
 - **SB967** Local gov't. improvements in unincorporated UGMAs (nothing scheduled)
- **Veterans** (Councilor Khosroabadi)
 - **HB2537** Low-income medical voucher program for veterans (nothing scheduled)
- **Water** (Councilor Massey)
 - **HB2803** Fee increase to cover OWRD water right grants (nothing scheduled)



Letters / Event

- **Letters**
 - (none)
- **Event**
 - **Vietnam War Remembrance** April 5, 1pm – Scott Park



Resources

- OLIS: [Oregon Legislative Information System](#)
- LOC: [CM3 – LOC Bill Summary](#)
(Username/password: loc@orcities.org)
- Thorn Run Partners
(Metro Mayors Consortium)
- Council



Questions?

Scott Stauffer, City Recorder
stauffers@milwaukieoregon.gov



From: [Lisa Batey](#)
To: [City Council](#)
Subject: PBOT's latest move something to consider for greenways/SAFE Spot treatments?
Date: Wednesday, February 5, 2025 10:00:09 AM

Scott – please include in an upcoming council packet.

All – [please do not reply]

The link below has an interesting article on a tool we could consider making better use of, in our Safe Spot program and elsewhere. When the Linwood paths got built, there was a bit of pushing parking on the streets of the Cedarcrest neighborhood back away from the path, but I think folks don't feel it went far enough. There are still a lot of visibility problems there – and elsewhere in town. Hopefully this is already a topic of conversation at the TSPAC and/or PSAC.

Here's a key paragraph from the article:

“Determining which corners to clear first is part of the challenge. PBOT’s standard practice is to apply vision clearance standards (no parking within 20-feet of the corners) on all major paving and capital projects. But when they find extra funding, they have expanded that scope to include more locations. The upcoming treatments will be targeted near schools, neighborhood greenways, and in designated pedestrian districts (as identified in city plans). PBOT will also respond to specific locations based on complaints. Anyone can call PBOT Parking Enforcement at 503-823-5195 (and wait for option 3) to report a dangerous corner for consideration. [] The latest promise from PBOT to daylight 200 intersections will be funded from a \$50,000 commitment from the Fixing Our Streets (local gas tax) program and from a portion of PBOT’s General Fund allocation for safety improvements.”

[Portland will daylight 200 intersections over next two years – BikePortland](#)

Lisa M. Batey, Mayor (she/her)
City of Milwaukie
E-mail: bateyl@milwaukieoregon.gov
Message line: 503-786-7512

From: [Lisa Batey](#)
To: [Scott Stauffer](#)
Subject: Notes on NCPRD DAC meeting, open house event, and older adult services
Date: Thursday, February 13, 2025 4:24:36 PM

Scott: Please includes these in the packet you're sending out tomorrow for Tuesday's meeting.

All:

Here are some key points from a couple of recent NCPRD events.

First, last Saturday they held their "Design and Dinner" open house event at the Milwaukie Community Center. You can read about the event here: [Design & Dinner Social - North Clackamas Parks & Recreation District](#)

Two main takeaways I had:

1. When the Concord project opens in October, they intend to close off half or more of the school. They are renovating certain portions for use for their offices, the gym, a meeting room and a couple of classrooms, at least one that will be made usable for yoga/dance sort of classes. But large swaths of both floors will be off limits, reserved for a future phase of work on the community center. This means that any worries that they might stop using the Milwaukie Community Center are unfounded. Although something I did hear makes me think they are thinking of centralizing evening programming at Concord.
2. The System Plan team has posted a Recreation Highlights Assessment document to the website, along with a survey that is open until February 28. www.ncprdsystemplan.com Mostly it's a rehash of analysis already shared with the DAC last fall, but one new, but not unexpected, bit is a "Priority Areas" map which identifies areas east of 82nd (and mostly east of I-205) as the priority for new parks and facilities, and Milwaukie and Oak Grove as areas needing "enhanced connectivity" to existing parks.

There's a "share your thoughts" link where people can put in comments, and even without a lot of promotion, Milwaukie Bay Park has had several comments. I will be sharing on Facebook and encouraging people to fill it out – not just MBP, but also other wishlist items.

Turning to last night's DAC meeting, the packet is at this link and the video should be up whenever folks are back to work after the snow. <https://ncprd.com/public-meetings/meeting-minutes>

The first half-hour was continued work with facilitator Camille Trummer, which I won't go into here. But about a half-hour in, staff gave a report on development of the FY25-26 budget. Those slides are at the link above. The operating budget is \$11.7mil. The non-operating (capital plus county interfund transfers) is \$49.8mil. Revenue is up by 20% due to sale of the Wichita and Clackamas school sites.

Kia was pretty direct about how the 54cents/1000 doesn't cut it anymore. One of the slides shows four comparator parks districts. Some of the things they are doing to tighten belts:

- The BCC recently passed a fee increase. Many were small (3%) but some underwent larger adjustments, which hadn't happened in many years.
- Eliminating the summer concert in MBP as well as general fund support for the Recmobile.
- Freezing hiring for positions funded by general fund
- Eliminating one director position
- Seeking \$180,000 in support from the Milwaukie Community Center Foundation to fill gaps in the elder adults services budget.

In response to questions about the older adults services, Kia noted that staff intends to take a deeper dive into that programming, which is really unusual to be handled by a parks district. I think they will be engaging with County Social Services – I expressed my surprise that Social Services doesn't run that programming.

Kia also mentioned that SDCs are too low and hadn't be revisited in many years.

The NCPRD priority project to our east is the Justice Property, on SE 122nd, not too far from Clackamas High School. It's a 3-acre parcel that was donated to them decades ago, and all they do is mow it a few times each summer. There was a small farm right next to it that went up for sale last fall, and NCPRD tried to buy it, but the offer was not accepted. It sold in December to DEZ Development LLC, a homebuilder, for \$720K.

The new alignment of the BCC will hold their first meeting as the NCPRD Board on February 26 at the Aquatic Center at 6pm.

After the meeting, I stumbled on this Clackamas County Area Plan for older adult services by the Social Services Dept.

https://www.clackamas.us/news/2025-area-plan?fbclid=IwY2xjawlbQ9dleHRuA2FlbQlxMAABHT0kjB6b0lgksEP1xYB3oRAKdd_9ArOB1H29Tox4E2t12UjBlnhsvlCPbw_aem_nRZo6oQnKuBjGGOWlBKT-A

There's a 25-min video and the actual plan at that site. The plan is required to be submitted to the state every four years, and will be considered by the BCC sometime between now and

late March.

The report is pretty dense, but has some great, though cautionary, basic information — that people over 60 are the fast-growing segment of the County population, having grown by 55% between 2010 and 2022. And that 54% of households comprised of individuals 65 or older do not have incomes that meet the Alice threshold for being able to afford basic living expenses.

Lisa M. Batey, Mayor (she/her)
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