



City of Harrisburg Council Minutes April 8, 2015

The Harrisburg City Council met on this date at City Hall, located at 120 Smith St., at the hour of 6:30PM. Presiding was Mayor Robert Duncan. Also present were as follows:

- Kimberly Downey
- Don Shipley
- Mike Caughey
- Sarah Puls
- John Loshbaugh
- Youth Advisor Bo Kelson
- City Administrator Brian Latta
- City Recorder/Asst. City Administrator Michele Eldridge
- Public Works Director Chuck Scholz

Absent this evening was Councilor Robert Boese.

Consent List Approval

- Puls made a **motion to approve the consent list, and was seconded** by Caughey. **The City Council then voted unanimously to approve the consent list. Adoption of the consent list resulted in the following approvals.**
 - **The minutes of March 11, 2015 were approved**
 - **The payment of the March 2015 bills was approved.**

The matter of Reviewing Substantial Amendment No. 5 to the Harrisburg Redevelopment Agency Plan, Adopting Ordinance No. 924, “**AN ORDINANCE MAKING CERTAIN DETERMINATIONS AND FINDINGS RELATING TO AND APPROVING THE FIFTH AMENDMENT (SUBSTANTIAL) TO THE HARRISBURG URBAN RENEWAL PLAN**”, and Adopting Resolution No. 1101, “**A RESOLUTION APPROVING THE INCREASE IN MAXIMUM INDEBTEDNESS FOR SUBSTANTIAL AMENDMENT NO. 5 TO THE HARRISBURG REDEVELOPMENT AGENCY PLAN.**”

Staff Report: Latta **noted that** this matter was brought forth by the HRA, who has had involvement with the other taxing districts. Two of our councilors sat on the HRA Advisory Board, and the committee recommended a substantial amendment to the plan. Because there was an substantial increase in maximum indebtedness, it required that we obtain 75% approval

from the other taxing districts. The taxing districts are Linn County, the City of Harrisburg, the Harrisburg Rural Fire District, 4H, Lane Community College, Linn Benton ESD, and the Harrisburg School District. The taxing districts have to review, and either approve, or not approve the substantial amendment. All of the taxing districts other than the City have reviewed and approved the substantial amendment, except for LCC, who never replied, and the Fire District. We received a letter from the fire district on the 3rd of April; the letter is dated February 18th, 2015. (Please see Addendum No. 1 for a copy of the Fire District letter) They are not necessarily in favor of the amendment, and it appears that they didn't vote, but they asked the City Council to consider their list of recommended projects. The HRA can only recognize those projects that are to fix blight; none of their projects do that. The City Council is required to consider this, and either accept it, modify it, or reject it. Staff recommend that you reject it, because none of the items on their list meet the purpose of the district, which is fixing blight.

There are a lot of papers that go with this amendment. The first exhibit, the substantial amendment itself, has the purpose of the amendment, and the background. The staff report, talks about the process we've followed. Sending the information to the taxing districts has been done, and the Planning Commission has to make sure the plan is in conformance with the comprehensive plan. You'll find the minutes for that, and their staff report. We are now at the City Council level, which should concur with the increase of maximum indebtedness, and can vote to adopt the ordinance. Once adopted, there is a mandatory 30-day period, before it becomes effective. Substantial Amendments are subject to the referendum process in Oregon. All this is spelled out in the staff report. He called their attention to the fact that the legal description was only finalized on Monday of this week. The final ordinance that is signed will have the legal description in it. (Please see Addendum No. 2 for a copy of the revised ordinance.) The new survey also includes the boundary changes. Elaine Howard, our HRA Consultant is here, if you have questions. We are asking for approximately an additional \$5 million, that does not have any effect on individual property tax payers, because it is tax incremental financing. That affects only taxing districts.

- Elaine Howard, the City's HRA Consultant added that one other thing they made a change to is in the amendment section. We will not do another HRA in the future, at the end of the time period for the HRA, unless the fire district also approves that. That was an issue under plenty of discussion with the committee, and was meant to keep the HRA from going on and on without their express approval.
- Latta thanked her for bringing that up. You have another document, which is in the draft ordinance itself, because we received the fire district letter after the ordinance was put in the packets. That has to do with the fire district recommendation, and notes that the City Council rejects the recommendation from the fire district. The Council has to determine if they accept the recommendation from the fire district, reject it or would like to modify that.
- Caughey brought up that on pg. 25 of his Council packet, that it talks about Macy Street, in the first group, but doesn't have a point of reference; he'd like to identify that. Its 100 feet west of what? Also, on pg. 26, under sanitary sewer deficiencies, it refers to Stanley Street, which doesn't exist.

- Latta has already corrected Macy St, which should say 100' west of 3rd St. However, he failed to correct the Stanley Lane. As far as the minute's discussion here, you can make an amendment change from Stanley Street, to Stanley Lane. We can make that amendment after it's adopted.

Caughey asked if we needed to address the fire district letter first, and Latta told him yes. Downey commented that they sent a representative to our meetings, and we discussed that next time, there would have to be a higher percentage of taxing district approvals, and their vote would matter, but the fire chief didn't come to those meetings, and she's not sure if the representative told the board. The representative believed that fixing of the roads is important to them too. Puls said that's what she thought too. Downey said that she thought the representative understood that, but perhaps it got lost in translation. But there were other projects they wanted. Caughey said that he didn't think the information went from Mike [Hurd] to the board, or they didn't understand it.

- Latta said that he did attend one of the Fire board meetings, and they asked specifically, in terms of where we were heading. Their big concern was that they were losing property tax revenue if this passed. He told them yes, that's true. But the projects are building revenue into redevelopment, and that increased value will come back to them. They want some money back to use for their projects, but he said that doesn't meet the purpose of the HRA district. If we give you a cut back, then it undermines the purpose of why we did this. Their response is hopeful that someone would say we'll give you're money back, or incorporate this on our project list. Because their suggestions don't fix blight, he doesn't see how Council can approve that.

Downey noted that part of the program increases tax revenue for everyone, correcting blight, and fixing streets, which compels business and citizens to move here, and in 20 years, they may recoup this amount and more. Loshbaugh added that they also receive county taxes, their district goes into the county outside of the City. They are only losing the increase on property tax revenues for the part of the district in the City, correct? Latta told him that was correct. The parts of their district that are outside of the City Boundaries are not affected. Howard added that it's only the properties inside the urban renewal area, not the entire City. It's only a percentage. Caughey thought that somebody needs to educate the fire board if they have an inaccurate view of what's going on. Puls said especially when the school was supportive of it. Downey added the county was supportive too. The county doesn't always approve urban renewal agencies, and they supported us; one of the commissioners came down, and supported us. They felt that most communities don't plan really good projects like we are doing. Latta said that he tried to reach out, and tried to explain to them. He thinks that their bottom line is losing tax dollars that they could use to purchase equipment. They are hoping for a way to regain some of those funds, but unless it lessens blight, the City Council shouldn't really consider it. He didn't think it was so much a lack of understanding, they know they are losing revenue, and they don't want to lose it.

Loshbaugh asked what the dollar amount they would lose was. Latta thought over the 20 years, it would be a little over \$651,000; they pulled that figure directly from the report. We had to forecast the revenue within the new timeframe of 22 years, and over that time, we'll have just over \$5 million to use. We broke down the projected impact on taxing districts, and theirs was \$651,432. Downy thought that was based on a projected amount of tax increase, so if we don't grow, they don't get that revenue, correct? Howard told her the figures were built on a 4% tax increase; if we don't grow at that rate, then their amount would be lower. But you won't have as much for your projects either. Latta thought it was a little aggressive, but then again, it's not as much as we could have used. Downey asked if there was a fair consideration we could do? We always put their needs in front if we can, and try to help them. There are perhaps some projects on their property that they will do in the future. We are doing what we can to help them, and that will continue, no matter what. Latta told her yes, we'll look at that. He doesn't think this will injure our relationship with them; he certainly understands their frustration. He thinks they recognize the value in the program, but it's not strong enough for them to support it. Downey wants it put on the record, that we are not taking money away from them; these funds have already been coming out from the current HRA district. They haven't been getting this money for last 20 years. She felt that wasn't putting them in a horrible position.

Howard said that you have to reject this, accept it or modify it. While reject sounds like horrible language, the statute says this is the language you must use. Your options are to reject, accept, or modify. The Council briefly discussed the way to make a motion on the adoption of the substantial amendment. Latta recommended being very clear on the language, since it was amended.

- Puls then **made a motion to approve Ordinance No. 930, "AN ORDINANCE MAKING CERTAIN DETERMINATIONS AND FINDINGS RELATING TO AND APPROVING THE FIFTH AMENDMENT (SUBSTANTIAL) TO THE HARRISBURG URBAN RENEWAL PLAN"**, as amended by the change on page 2 of the ordinance, on the 11th Whereas clause, in terms of receiving written recommendations from the governing bodies, to instead say that *'the City Council has received a written recommendation from the Harrisburg Fire and Rescue and the City Council rejects this recommendation while noting that as part of this amendment, any future amendment to the Plan will require Harrisburg Fire and Rescue approval'*; and, on the 12th Whereas clause, which now says that *'the City Council has not received written recommendations from any other governing bodies of the affected taxing districts other than approvals from jurisdictions comprising 75% of the permanent tax rate'*, and amending Stanley Street to be Stanley Lane instead, as noted earlier in the conversation. She was seconded by Shipley, and the Council voted unanimously to approve Ordinance No. 930, with the changes as amended above.
- Puls then **made a motion to approve Resolution 1101, "A RESOLUTION APPROVING THE INCREASE IN MAXIMUM INDEBTEDNESS FOR SUBSTANTIAL AMENDMENT NO. 5 TO THE HARRISBURG REDEVELOPMENT AGENCY PLAN"** Downey seconded the motion, and the City Council voted unanimously to approve

Resolution No. 1101, which authorized the increase in maximum indebtedness for Substantial Amendment No. 5 to the HRA plan.

The matter of Informing the City Council of Administrative Revisions to Ordinance No. 922, “AN ORDINANCE MAKING CERTAIN DETERMINATIONS AND FINDINGS TO RELATING TO AND APPROVING THE FOURTH AMENDMENT (SUBSTANTIAL) TO THE HARRISBURG REDEVELOPMENT AGENCY PLAN.

Staff Report: Latta reminded Council that at the end of last year, we approved Substantial Amendment No. 4. When we did that, it didn't require taxing district approval. On page 74, on the 6th Whereas clause, it says that it *exceeds 20% of the original taxing maximum indebtedness of the plan*. If you do the math, it doesn't exceed 20%. If it did, we'd have to get taxing districts approval. Therefore, we need to change the language to say that *the amendment increases the maximum indebtedness of the Plan in an amount that does not exceed twenty percent of the original maximum indebtedness*. This was an important distinction we needed to make, because if it's decided to go out for a bond in the future, the bonding agency could come back say that it was stated incorrectly. He spoke with the City's legal counsel, who said that while you could do a housekeeping change, because the figures listed don't exceed the 20%, that it was better to do so as an administrative change noted formally in the minutes. Our conversation recognizes that there was an error in the ordinance, without having to readopt a new one.

Caughey liked the change, and Shipley asked if we needed to make a motion then, but Latta told him that we didn't need to formally motion unless you don't want to allow the change. Howard apologized that she didn't catch this when she created it; Downey stated that Howard has been fantastic for us; we've been very impressed with her. Latta added that we will continue to use her skills as we move forward. Caughey agreed, and added that she's done a good job explaining things. This was totally new stuff to all of us, and she was very patient.

The matter of Reviewing Outcomes of March 18th Council Work Session and Determining Whether or Not to Proceed with a Municipal Water Study.

- Mayor Duncan noted that everyone did a great job! Everyone was on their game, and that really alleviated a lot of stress and worry, as far as questions. The pre-meeting work and the PowerPoint were terrific. He just wishes that 700 people had been there.
- Puls asked if the PowerPoint will be on the website.
- Eldridge commented that it will be in the minutes.
- Latta thought it was a good idea to put it on the website; people may not see it in the minutes. He added that if we have 50 people who can understand things, then it's all good; he's been in larger jurisdictions, where getting 60 people to a public meeting would be considered a great success. Even with what we had, it was good. In the agenda bill here, included for your information, are the results of the survey. The results are not surprising. There was no consensus on one idea, because people don't know how much they would cost. If they did, we would get more meaningful results and comments.

- Bradley VanHorn, who lives in Marcus Landing, said that he was here tonight because it was about time he started contributing to the City; this is his first City Council meeting. His one comment on water before he leaves is thank goodness we have it!
- Latta said that all respondents want something done, but what that is remains to be seen. They don't want the City to sit on our hands and do nothing. How much people will pay was encouraging to see, because most were willing to pay between \$5 to \$25, or in that range. As for discoloration of the water, they all noticed a lot of it....but it was unclear when the discoloration was occurring. For example several occurrences could have all occurred the day we flushed the lines. Council has to decide if they want to move forward into a water study. That's our recommendation. You'll see question marks in the agenda bill for the cost of the study. We've reached out to our City engineers, and some others, who think it's reasonable for us to do a water study, including issues related to water sources and the distribution system for about \$40,000 to \$50,000.
- Downey thought that was a good figure.
- Puls asked what Scholz thought about the study.
- Scholz said that Branch Engineering, our City engineer, would be our partner. The other group asked to not have their name mentioned, in case they wanted to be involved.
- Latta commented that the study will allow us to understand what the problems are, what the solutions are, and the costs for those. It's important to break down the total cost into how much it would financially affect a household, because it helps citizens to better understand what that means to them. As an example, if \$4 million costs \$2 per thousand on their property taxes, and a 25% rate increase, putting it down into that level for them is important. That would likely cost another \$5,000 or so, to get it done by household. The worst case would likely be \$55,000. He's budgeted \$125,000, and he recommends keeping it because you never know what you might encounter. If they hit a problem, it could increase the cost to \$75,000. He would recommend the higher number. If we don't use it, it becomes the beginning fund balance for the next year. We don't want to use that lower number, and then scramble to get the funds if things go sideways.
- Downey commented that we could also leave it in there for another water issue in the future. Citizens would be pleased we were spending it there.
- Latta said that we could get through the water study, and there may be some preliminary work towards the project before we go to a vote. There are many reasons to keep that number. We have prepared the budget document, for the budget process starting on the 27th of this month. We have been very conservative in our spending, and having a healthy contingency fund helps with that; we won't be moving funds from another fund to pay for this, and we have a balanced budget.
- Caughey asked if there were any chance of having federal money to help with this.
- Latta said not necessarily. There aren't generally federal funds for this type of a study if there are not health issues with water. There are technical assistance grants from the state funding authority that are available, which could be up to \$20,000 in a grant. Getting one would help supplement the study. We will make application over the next

fiscal year, and we will hit the ground running July 1 with this study. That's our target date, to get this done during the summer. We will apply for a grant to assist.

- Puls liked that a grant can pay for some of the study and services.
- Latta said yes. It would drop our bottom line down for the study.
- Caughey added that when we met with Senator Merkley, he said that there is federal money for projects, but ours was so small, we would have to piggyback with other entities. After we have the study, and knowing alternatives and their costs, we can look at whether we can get federal money to supplement whatever we can fund.
- Latta isn't certain that the program he was talking about passed; it was attached to something else, based on a model of transportation financing. He didn't follow it. If he remembers, the minimum costs for an application, whether it was a grant or loan, were \$25 or \$50 million; it was big number!
- Shipley thought it was a low interest loan that would be available.
- Latta said it may have been; he thinks he remembers that also. It was a big number. One of the things he mentioned is that you can group projects together under one application. So if you have two or three cities that are doing large projects, you can all apply at same time and try to bundle it together. We can look into that moving forward. The main funds that are out there in terms of grants are those for unsafe water. Our issues are all aesthetic.
- Scholz said that he'd like to make a point of clarification on this, because there has been so much done in the past. There were water samples, and testing, and this isn't going to be providing you with ten different ways to solve the problem and you can pick and choose them ala carte. This will be based on all the things we had in the pilot study, and this is how you can fix them and how much it will cost. It won't have all that fluff that we've used in the past.
- Latta asked if they were providing a few options.
- Scholz told him no, the last time it was done, they gave us options. They will do pilot studies on the water system as a whole, where that previous study was individual testing on each well. As a whole, this is the best process that will fix the problem. They'll make sure there are no new techniques out there that will help fix the problem. Then they will say this is what fixes it. This won't be gold, diamonds and whistles, and all that unnecessary fluff.
- Downey asked so they won't tell us the difference between using the wells and the difference between using the river water?
- Scholz told her that they are going to be doing that.
- Downey said that's important to her.
- Scholz added that it's going to say you should go there, or go here. This will be what's going to fix it the best.
- Mayor Duncan said that's what he wants to hear.
- Loshbaugh then **made a motion that a water study be conducted that investigates the issues with the municipal water, solutions, and costs of the solutions.** Downey

seconded the motion, and the City Council voted unanimously to approve the water study.

The matter of Proclaiming April 2015 as Child Abuse Prevention Month.

Staff Report: Latta noted that April is the National Child Abuse Prevention month. In an effort to bring awareness to this issue, they've asked for the cities to recognize it in some way. We have purchased some blue pinwheels; they are stuck in the Port of Portland. We have only 30 of them. We will do a pinwheel garden at the library and the H.A.R.T. Center, H.A.R.T. will lead some arts and crafts projects for the community. We will also get a speaker in May, to speak on this topic in Harrisburg.

- Mayor Duncan then read aloud the proclamation in its entirety.

The matter of Judging and Selecting Winners for the "If I were Mayor Contest".

Staff Report: Latta told the City Councilors that much like last year, this is a state wide contest, organized by the LOC. Elementary school students were asked to provide posters; middle school students provided essays; and highschool students provided digital media. We received two essays, two videos, and 19 posters. He asked them to take the time to go into the hall, read the essays, and then we can all watch the digital presentations. Based on the fact that we don't have three entries in both the high school and middle school entries, we can divide the prize money the same way we did last year. (Use the \$50 left over for the grade school winners.)

- Caughey thought we should do that, seeing as we have only two entries each in two of the divisions.

At 7:40, the Council went into the hallway while they viewed the posters, and read the essays. They then all watched the digital presentations.

- Caughey expressed a little bit of concern about how the kids are being educated about the City's water system.
- Latta told him that's why part of our water conservation plan, will include educating and meeting with the kids in our schools.

For the Elementary School Students:

- 1st Place was T. Crabb - \$75
- 2nd Place was S. Woodruff \$50
- 3rd Place was C. Rojas \$25

Winners of \$10 each were as follows:

- C. Hunsaker
- T in Mrs. Graham's class (No last name on form)
- S. Gent
- D. Buzzard
- A. Camacho

For the Middle School Students:

- 1st Place was H. Benedict - \$75

- 2nd Place was I. Bevins - \$50

For the High School Students:

- 1st Place was M. Portillo - \$75
- 2nd Place was J. Kaur - \$50

Others:

Linn County Deputy Report:

- Caughey was concerned about how many hours we were being allotted by the Linn County deputies. His figure he came up with was based on 70% of hours spent in Harrisburg, by 173.3 hours in a month per deputy, and came to 504 hours we should be receiving. Is he wrong on that assumption? How many hours should it be?
- Latta said that he can get information on how that is calculated. He'd like to make changes to the contract, because it's not comprehensive enough, and is rather vague. He is in the process of writing a new contract. Their mode of operations over the last few years, were to take the same contract, and say that there is an increase of 5% in costs, which covers increased costs of health care and PERS. The amount that is represented in that 5% is for more than what health care and PERS should run them.
- Downey asked if they were with CIS.
- Latta told her yes. He is getting information that substantiates his concerns. He makes requests, they tell him they think this is how it's done, and tell him that they will check and get back to him. Then nobody gets back to him. He rewrote the contract to ensure that we get what we need. He believes that there are misdemeanors and violations that are going to Linn County Justice Court that should come to Municipal Court instead. He's trying to get a solid answer on which should be cited in to municipal court, but he's not getting one there either. The new contract says that all citations in town, except for felonies, should be processed in Harrisburg Municipal Court. He's trying to find out how much time is dedicated to certain activities. He's concerned about traffic offenses. We generally have one or two, and cities that aren't Coburg, that have their own forces, or counties other than Linn, are in the 30 to 40 range per month. He'd like to have 20% of their time dedicated to traffic enforcement.
- Shipley said that we really have a lot of those in reality.
- Loshbaugh said that you could easily have 30 to 40 a month if they concentrated on 7th & Territorial.
- Downey noted that we've told them that we don't want them to focus on that.
- Latta said he knows that. The philosophy is compliance vs. enforcement. We don't want our citizens to be hit hard, but one deputy warns them, and tells them that they'll be in trouble, but then a different deputy stops them the next time, and so forth. They could go through all the deputies before they actually get a citation. He thought that 10 to 20 citations would be reasonable for a City our size. He hasn't given his contract suggestions to them as of yet, but they did just give us theirs, and have asked for a

resolution by the end of April.....our meetings are set so that won't happen. He will send his suggested contract to the attorney, to make sure it's ok. He thinks we are satisfied with the Linn County deputies, but he also wants to make sure that we are getting what we need.

- Downey said that they need to meet our expectations. Are they?
- Latta said that they don't really know. The Sheriff, the Undersheriff and the Captain, are not giving him complete answers. They are restructuring the departments right now, and supposedly, the lieutenant position will respond to municipal contract issues. If we have them, we can contact them directly. Those are contractual issues. We want to make sure that Harrisburg is getting what it's paying for.
- Loshbaugh said that he knew that both police and fire personnel have a PERS rating that is really different from cities.
- Latta said that's true. He knows one who retired with full benefits at the end of 25 years of service. It appears to him that that the increases there should still be less than 5%.
- Mayor Duncan said that he's been up there around 3 times now. He went up with a councilor to check into the program. They can show us a stack of paperwork, and say that they are providing more hours, but we've got people parking on the gravel bar, dogs running around, and people running stoplights. We do save a lot of money by not having our own police force, but we do turn over our control. There is a little bit of a concern, because there are a couple of them who live here, and they understand. There's one deputy who doesn't go to church here, because he gets accosted by people who are griping.
- Downey asked if they have meetings we could attend?
- Latta said probably not, but we could have the sheriff and undersheriff come to our meetings. He knows the Sheriff is very passionate about our contracts, and he truly feels that they are a local police force in town, not just Linn County. They truly feel we have some ability to tell them what to do, and they should respond. Having a lieutenant would be nice. It's frustrating to us to try to get in contact with LCSO, and to have a delay in the response because of the current schedule.
- Adam Keaton of 801 Whitham Way, asked about what options we have?
- Latta said that we were given an option a long time ago, to have our own force, or to contract out. We chose the contract. He really appreciates Linn County Law Enforcement and the job they do. He just wants to make sure we get what we are paying for, from what he's seen and knows. Hopefully, with a revised contract, we will get what we expect.
- Keaton asked if Linn County was our only option.
- Latta said that we could go to Junction City, or partner with another City. Here it's the obvious choice, and probably the most logical fit. He's not upset at how much we are paying, but he does want to make sure that we get what we pay for, and that we are getting the revenue we should have.
- Downey said that it sounds like a communication problem, and that's easy to resolve.

- Loshbaugh said that at one point, we talked with Judge Lemhouse about the number of citations that are issued that are heard in Justice Court vs. Municipal Court.
- Latta said that we've asked for court revenue figures, and crime. He gave him that. That's part of his investigations. There is one thing we should be suspicious of, and that's getting only one DUI in one year. That's super abnormal. In most jurisdictions, there is one or two a month. Here, it's only one in a year.
- Puls said that she thought we commented on that before.
- Downey said not this type of conversation. They call us 'Mayberry'.
- Latta said that he felt that DUI's are going to Justice Court. They are getting caught, and we don't get involved. We don't get that revenue, even if it happens in Harrisburg.
- Puls thought it was really rare that we have that little.
- Latta said he just felt that we need more. That's why he started looking into it, and he still hasn't received answers to his questions. In the contract, he wants it to say, you shall do this.....we will have it spelled out clearly, with our expectations.

Railroad

- Latta told the Council that he was still working on the 4th Street railroad issue.

Quantum Engineering

- Shipley said that he was asked to attend as a City Council representative at Quantum Engineering for a product demonstration; it's was very exciting, and very interesting. They will have 18 to 22 employees because of this apparatus that they make. It lifts metal containers on ships, instead of fork lifts, which require room to maneuver, and lessens shipping space. This is all remote control. It's amazing. They work primarily with the military, which is why it's rather hush-hush. They came to Harrisburg as the R&D arm of their company, and they said that the building they took is just the right size, and was cheap. They hope to be up and running with these in a few years. He was down there with representatives from Merkely's office, and DeFazio's office.
- Council was excited about the opportunities there!

With no further business, the City Council adjourned at the hour of 8:32PM.

Mayor

City Recorder



HARRISBURG FIRE & RESCUE

Addendum No. 1

February 18, 2015

City Administrator, Brian Latta
PO Box 378
Harrisburg OR 97446

Dear Brian,

The Harrisburg Fire & Rescue Board of Directors met on February 16th and reviewed the draft resolution provided by the City requesting the fire district support the substantial amendment to the Harrisburg Urban Renewal Plan that the City of Harrisburg is considering.

It was the consensus of the Board that the resolution, as presented, is not in the best interest of the Fire District or the constituents we serve. We recognize that our support, or lack of support, of this amendment has no impact. The Board discussed the resolution and some of the supporting documents mailed with it. Items discussed at the board meeting needing further clarification were:

- Lack of detail outlining the projects that will be accomplished as a result of this amendment
- How the projects are determined
- How the projected impact was calculated

Further, the Board is aware that the City will consider projects recommended by the fire district, but the project must remove "blight" from the City. There are no projects that would benefit the fire district that remove "blight". There was some discussion regarding equipment/apparatus needs that will not be accomplished as a result of this substantial amendment. Examples of equipment that would benefit the fire district are self-contained breathing apparatus (SCBA), extrication equipment, medical equipment and turnouts. Would the City be willing to support any of these needs in the future? Simply put, the City plans to levy an estimated \$651,000 of the fire district's tax revenue over the next 20 years, possibly longer. While the City is removing "blight", the fire district struggles on an already small budget, only to be reduced further by this amendment. Is there a fair resolution the City would consider?

On behalf of the Board of Directors and myself, we look forward to hearing from you.

Sincerely,

Bart Griffith, Fire Chief

ORDINANCE 930**AN ORDINANCE MAKING CERTAIN DETERMINATIONS AND FINDINGS
RELATING TO AND APPROVING THE FIFTH AMENDMENT
(SUBSTANTIAL) TO THE HARRISBURG URBAN RENEWAL PLAN**

WHEREAS, the City Council of the City of Harrisburg approved the Harrisburg Urban Renewal Plan by adoption of Ordinance No.626 on December 23, 1992, which Plan has thereafter been amended four times. The Harrisburg Urban Renewal Plan, as amended through the Fourth Amendment is referred to herein as the "Plan"; and

WHEREAS, the Urban Renewal Agency of the City of Harrisburg ("Agency"), as the duly authorized and acting urban renewal agency of the City of Harrisburg, Oregon, is proposing to change the Plan to increase the maximum indebtedness that may be incurred under the Plan, to add property to the Plan area, to modify the amendments section of the Plan and generally update the Plan and to add projects in the Plan (the "Amendment"). Such changes are proposed so that the original objectives in the Plan may be fully accomplished and the urban renewal projects called for in the Plan, as amended, may be completed; and

WHEREAS, under the terms of Section 1000 (Future Amendments) of the Plan and under state law an amendment increasing the maximum indebtedness of the Plan is a Substantial Amendment and requires the notice, hearing, and approval procedures required by ORS 457.095, and special notice as provided in ORS 457.120; and

WHEREAS, the Agency, pursuant to the requirements of ORS Chapter 457, has prepared the Amendment which is attached to this Ordinance as Exhibit A, and incorporated herein by this reference; and

WHEREAS, the Agency has caused the preparation of a Report accompanying the Amendment as required by ORS 457.085(3) ("Report"), which Report dated April 8, 2015 is attached to this Ordinance as Exhibit B and incorporated herein by this reference; and

WHEREAS, the Amendment increases the maximum indebtedness of the Plan to \$8,177,674; and

WHEREAS, the Amendment and the Report were forwarded on January 23, 2015 to the governing body of each taxing district affected by the Amendment, and the Agency has thereafter consulted and conferred with said districts; and

WHEREAS, the maximum indebtedness increase is within a threshold that requires approval of taxing jurisdictions representing 75% of the permanent rate levy and those taxing districts have adopted resolutions of approval as shown in Exhibit D; and

WHEREAS, the Amendment and the Report were forwarded to the City of Harrisburg Planning Commission for recommendation, the Planning Commission considered the Amendment and

Report on February 17, 2015 and voted that the Plan with the Amendment conformed with the Harrisburg Comprehensive Plan; and

WHEREAS, on February 24, 2015 Agency representatives met with the Board of Commissioners of Linn County to review the Amendment, including the proposed change in the maximum indebtedness for the Plan; and

WHEREAS, the City Council has received a written recommendation from the Harrisburg Fire and Rescue and the City Council rejects this recommendation while noting that as part of this Amendment, any future amendment to the Plan will require Harrisburg Fire and Rescue approval; and

WHEREAS, the City Council has not received written recommendations from any other governing bodies of the affected taxing districts other than approvals from jurisdictions comprising 75% of the permanent tax rate; and

WHEREAS, on March 31, 2015 the City caused notice of the hearing to be held before the City Council on the Amendment, including the required statements of ORS 457.120(3), to be mailed to all water and sewer customers; and

WHEREAS, on April 8, 2015 the City Council held a public hearing to review and consider the Amendment, the Report, the Planning Commission Recommendation, and to receive public testimony; and

WHEREAS, after consideration of the record presented through this date, the City Council does by this Ordinance desire to approve the Amendment.

NOW THEREFORE, THE COUNCIL OF THE CITY OF HARRISBURG HEREBY ORDAINS THAT:

Section 1. The Amendment complies with all requirements of ORS Chapter 457 and the specific criteria of 457.095(1) through (7), in that, based on the information provided in the Report, the Planning Commission Recommendation and the public testimony before the City Council:

1. The process for the adoption of the Amendment, has been conducted in accordance with the provisions of Chapter 457 of the Oregon Revised Statutes;

2. The area designated in the Plan as the Harrisburg Urban Renewal Area (“Area”) is blighted, as defined by ORS 457.010(1) and continues to be eligible for inclusion within the Plan because of conditions described in the Report in the Section “Existing Physical, Social, and Economic Conditions and Impacts on Municipal Services”, including the underdevelopment of property within the Area (ORS 457.010(1)(g) and (h));

3. The rehabilitation and redevelopment described in the Amendment to be undertaken by the Agency is necessary to protect the public health, safety or welfare of the City because absent the completion of urban renewal projects, the Area will fail to contribute its fair share of property tax revenues to support City services and will fail to develop and/or redevelop according the goals of the City's Comprehensive Plan;

4. The Amendment conforms to the Harrisburg Comprehensive Plan and provides an outline for accomplishing the projects described in the Plan, as more fully described in the Plan as amended by this Amendment and in the Planning Commission Recommendation;

5. No residential displacement will occur as a result of the acquisition and disposition of land and redevelopment activities proposed in the Amendment and therefore the Amendment does not include provisions to house displaced persons;

6. Acquisition of the property identified as 15S04W16AA tax lot 04703 is anticipated in this Amendment and is necessary to complete the development of a library and community center.

7. Adoption and carrying out the Plan, as amended by this Amendment is economically sound and feasible in that eligible projects and activities will be funded by urban renewal tax revenues derived from a division of taxes pursuant to section 1c, Article IX of the Oregon Constitution and ORS 457.440 and other available funding as more fully described in the Section "Financial Analysis of the Plan" of the Report;

8. The City shall assume and complete any activities prescribed it by the Plan; and

9. The Agency consulted and conferred with affected overlapping taxing districts prior to the Plan being forwarded to the City Council.

Section 4: The Fifth Amendment to the Harrisburg Urban Renewal Plan is hereby approved based upon review and consideration by the City Council of the Plan and Report, and the Planning Commission Recommendations, each of which is hereby accepted, and the public testimony in the record.

Section 5: The City Administrator shall forward forthwith to the Agency a copy of this Ordinance.

Section 6: The Agency shall thereafter cause a copy of the Amendment to be recorded in the Records of Linn County, Oregon.

Section 7: The City Administrator, in accordance with ORS 457.115, shall publish notice of the adoption of the Ordinance approving the Amendment, including the provisions of ORS 457.135, in the Register Guard no later than four days following adoption of this Ordinance.

Adopted by the City Council of the City of Harrisburg this 8th day of April 2015.

APPROVED BY THE MAYOR:

EFFECTIVE DATE:

ATTEST: _____
CITY RECORDER

Attachments: Exhibit A – Harrisburg Urban Renewal Plan Fifth Amendment
Exhibit B – Report on the Harrisburg Urban Renewal Plan Fifth Amendment
Exhibit C – Harrisburg Planning Commission Report and Recommendation
Exhibit D – Taxing Jurisdictions Approvals

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