MINUTES

KEIZER CITY COUNCIL

Monday, November 2, 1998
Keizer City Hall
Robert L. Simon Council Chambers, Keizer, Oregon

CALL TO ORDER

Mayor Koho called the regular meeting to order at 7:07 p.m. Roll call was taken as follows:

Present:
Dennis Koho, Mayor
Carl Beach, Councilor
Lore Christopher, Councilor
Jim Keller, Council President
Jerry McGee, Councilor
Al Miller, Councilor
Garry Whalen, Councilor

Staff:
Wally Mull, City Manager
H. Marc Adams, Chief of Police
Susan Gahlsdorf, Finance Director
Dianne Hunt, Human Resources Officer
Amy Drought, City Planner
Rob Kissler, Public Works Director
Shannon Johnson, City Attorney
Tracy L. Davis, City Recorder

SAM ORCUTT WAY

Councilor McGee announced the east/west connector street in Keizer would be names Sam Orcutt Way NE. Mr. Orcutt was presented with a replica of the official street sign.

PUBLIC TESTIMONY

Presenting testimony to the Council were:

Beverly Parkhurst, Latter Day Saints Church, 2145 Manzanita Way NE, Keizer- Public Relations and Affairs Director for the Church of Latter Day Saints. Ms. Parkhurst expressed her concerns regarding a casino and the problems she has seen living in others states which have casinos. Ms. Parkhurst expressed her opposition to a casino in Keizer.

Mayor Koho indicated that there has not been an actual proposal for a casino at the Chemawa Activity Center submitted to the Council.

Dan Kohler, Cedar Bluff Circle, Keizer- Mr. Kohler shared his concerns regarding traffic, and the criminal element which he feels a casino would bring in.

Chester Trethewy, 460 McNary Heights Drive NE, Keizer- Expressed his opposition to the Casino. Pointed out that the Chemawa Activity Center Plan, zoning or Keizer Comprehensive Plan were drafted to accommodate a casino. Mr. Trethewy stated that he hoped the Council would work in unison to be sure that the casino would not be allowed to come in.

Sam Goesch, 1338 Marigold Street, Keizer- Shared an article in US News and World Report which talked about how to be middle class in America. Mr. Goesch shared that the article stated in order to stay middle class people should avoid, alcohol, drug addiction and gambling. He expressed his objection to the casino and hoped the council shared his concerns.

Nancy Walker, 1517 Meadowland Drive NE, Keizer- Representing the congregation of John Knox Presbyterian Church. She submitted a petition announcing their opposition to the casino.

Dr. Hank Elder, 6627 14th Avenue NE, Keizer- Is a practicing physiatrist in Keizer. Dr. Elder shared his involvement with compulsive gamblers related to depression and anxiety and his opposition to the casino.

Kelly Kent, 1879 Kephart Court, Keizer- Shared he has been a resident and business owner in Keizer for ten years. Mr. Kent offered his feelings pertaining to the casino and how he felt it would effect families. He strongly urged that the casino not be allowed in the community.

Cathy Clark, 715 Ventura Street N, Keizer- Expressed her concerns against the casino, and the downfalls it would have on the community.

Rex Daines, 167 Aldridge Street, Keizer- Indicated that he is an attorney which files bankruptcies and shared his concern that if a casino were brought in this tendency would increase.

Councilor Keller- Requested more information from the staff to keep the council and citizens of Keizer updated on how to keep the casino from being brought in.

Barbara Dahl, 4769 12th Avenue, Keizer- Questioned the Council in their feelings of the casino.

Myrna Wolgamott, 6255 Radiant Drive NE, Keizer- Is a property owner in the area of the casino. She shared that of the 45 acres which was acquired for the casino that no one lives on this land, and that none of the property owners which live on their land in that area have signed up with the developer.

The Council unanimously expressed their opposition to the casino.

COMMITTEE REPORTS

KEIZER SKATE PARK UPDATE

Charlane and Steve Carlson, 5269 Pleasant Court, Keizer- Mr. Carlson shared that there is a dedicated group of people who have been working on the park every Saturday since the majority of the volunteers work full-time jobs. She shared that the park is half way completed and that they are behind scheduled in the completion.

She shared her appreciation of the citizens of Keizer in volunteering with this project. Ms. Carlson stated that the Gang Intervention Program planted 800 red tulips on the west side of the park in honor of a drug and alcohol free environment.

Ms. Carlson indicated that they are in need of experienced construction workers if someone would like to volunteer their help.

Mr. Carlson indicated that the project started last April, and they are continuing to work on the project and are in hopes of completion in the Spring. Mr. Carlson indicated that he was in touch with Rob Kissler and the City would touch base with the National Guard for some assistance. He continued to stress that this would be a high quality project upon its completion.

Responding to questions Mr. Carlson indicated that they are in need of skilled labor to complete the project.

The Council thanked the Carlson's for all their hard work and dedication.

Ms. Carlson shared the financial situation of the skate park. She indicated that the Catholic Community Service balance was $7,255 with total receipts in the amount of $3,289, leaving a balance of $4,520.11. The Keizer Skate Park account balance at the beginning of construction amounted to $6,088.12 with receipts totaling $3,749.31 and an ending balance of $2,338.81. The City of Keizer Fund Balance was $14,000 at the beginning of construction. Receipts to date of $3,197 and a balance of $10,803. Ms. Carlson indicated that the total spent on the skate park to date is $10,149.20 with an unspent balance of $17,193.92.

Mr. Carlson indicated that the largest cost would be the concrete that was estimated at $13,000.

Responding to questions Ms. Carlson indicated that the average skate park price is $16 per square foot. She shared that if Keizer were to pay this price it would cost $320,000 to build. Tualatin is paying $18 per square foot at total price of $185,000. Ms. Carlson explained that the Keizer Skate Park is 19,000 square feet being built at a total cost of $26,000 that comes to a $1.20 per square foot.

Council Miller requested that the Carlson's share their information with Rob Kissler in order to get the cost information to the Parks Advisory Board.

APPOINTMENT TO HOUSING AND COMMUNITY DEVELOPMENT STRATEGIC PLAN ADVISORY COMMITTEE

Mayor Koho moved to reappoint Bob French as the Keizer representative on the Housing and Community Development Strategic Plan Advisory Committee. Councilor McGee seconded the Motion.

The Motion passed as follows:

AYES: Beach, Christopher, Keller, Koho, McGee, Miller, and Whalen (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

COUNCIL LIAISON REPORTS

Traffic Safety Commission, Mayor Koho- Indicated that he was unable to attend the last meeting and does not have a report available.

Keizer Urban Renewal Board, Council Beach-Reported that all members attended the last meeting. Councilor Beach reported that City Planner, Amy Drought indicated that development had slowed somewhat with development continuing. Councilor Beach shared the discussion, which took place between the Board and Steve Ward in the presentation of the landscaping done along Claggett Creek at the northwest corner of Lockhaven and River Road North. Councilor Beach shared that $100,000 had been spent on this project to date and Mr. Ward had submitted to the Keizer Urban Renewal Board a request for a $10,000 grant for a portion of the work that was completed. Councilor Beach shared the board will be obtaining three bids for a grant to be awarded for completion of landscaping at the four corners of Lockhaven and River Road. John Morgan spoke at the meeting regarding the various plans of corridor improvements along River Road, and how it would work into the Urban Renewal Budget.

Councilor Beach shared that the Fire Department is recommending additional fire hydrants along River Road amounting to one every 500 feet. He indicated that the costs are estimated between $2,500 to $4,500 a piece.

Councilor Beach indicated that Rick Curry owner of a mini warehouse on River Road requested a waiver of request of a fire hydrant, total cost being $3027. Councilor Beach stated that the Board denied Mr. Curry's request as it would be serving Mr. Curry's property.

Councilor Beach indicated that the final meeting for the year would be on December 2, 1998.

OTHER BUSINESS

Council Miller shared a letter he received from Lea Jenny expressing the concern pertaining to Sunset Avenue.

Responding to questions **City Manager Mull** indicated that Public Works Director, Rob Kissler had already been in touch with Ms. Jenny, and they would continue to keep the Council informed.

Chief Adams shared an update remodeling process of the Police Department and a police officer vacancy that will be filled by a veteran officer by November 30, 1998.

Public Works Director, Rob Kissler- Reminded the Council of the ribbon cutting ceremony for the reservoir on November 17, 1998 from 2:00-5:00 p.m.

Responding to questions about the Vision Clearance Ordinance status City Manager Mull shared that it was addressed in the development code, and that he has spoken with the Chair of the Committee. He indicated that staff is working together to issue a plan and put together a form regarding vision hazards and trees in the right-of-way. He did not feel it was necessary to revise any ordinances at the current time.

Responding to questions from the Council, City Manager Mull indicated that the city is in contact with FEMA every two weeks pertaining to the flood plain appeal. Mr. Mull noted they have been in touch with representatives from the Congressional offices of Hooley and Wyden and are finding this is a very technical and time- consuming process.

Mayor Koho requested that City Manager Mull request a written letter from FEMA with a specific timeline on completion of the flood plain process, with a copy sent to Congressperson Hooley.

ADMINISTRATIVE ACTION

SPECIAL LEVY TAX REFUND

Susan Gahlsdorf, Finance Director shared that there had been discussions with the Department of Revenue and Marion County to discuss various alternatives to the tax refund process. In these talks if was found the most cost efficient would be for the City of Keizer to issue the refund directly to the tax- payers.

Ms. Gahlsdorf indicated that Bond Counsel, Harvey Rogers suggested that a special general ledger account be set up to track these funds and interest. Ms. Gahlsdorf shared that the City could also have the option of issuing the funds directly to the property owner of record. The Department of Revenue recommended that a copy be mailed to any affiliated mortgage company and/or lender. Ms. Gahlsdorf indicated that by January 1999, 80% of the refunds will have been completed and in June the remaining 15% to 20%. She shared that there may be approximately 5 to 6% that will not pay on time and this money may not be seen for five to six years.

Ms. Gahlsdorf recommended that the Council request taxpayers to pay off of their tax bill and requested that the Council okay a press release to this effect.

There was discussion over interest accrued and whether it would be refunded to the taxpayer. Mayor Koho cautioned that it would be a minimal amount, which may need to be used to cover the expense of issuing the tax refund checks.

Mayor Koho felt the Council needed to meet as the Urban Renewal Agency during the Work Session scheduled Monday, November 9th to resolve the issue.

At Councilor Miller's request Ms. Gahlsdorf indicated she would put together information regarding the cost to the City of issuing a letter to each taxpayer regarding the refund checks.

Mayor Koho stated under consensus that Urban Renewal Board would meet on November 9th and directed staff to issue a press release.

Mayor Koho shared a memo from Charles Kupper indicating there were a handful of cities that had the same dilemma.

YOUTH COMPACT

This issue was moved to the November 16th agenda.

TRAIL/MANZANITA PROPERTY

Wally Mull, City Manager reported this parcel of property was acquired in 1989 when land was purchased for the extension of Manzanita Avenue between Trail Avenue and River Road. In November, 1995 the

Council voted to declare this property surplus. Mr. Mull pointed out this issue has been discussed by the Council on various occasions during the last three years. He recommended if the Council wished to sell the property, a public hearing should be scheduled. The City could accept bids on the property or list the parcel with a real estate agent. Mr. Mull explained an appraisal of the parcel was conducted in March, 1998 which valued the property at $73,000.

Duane VanCleave, 7448 Wheatland Road NE, Keizer explained in listing his property, which is adjacent to the parcel owned by the City, he set the value based on the existing development of the property. Furthermore, he hoped the inflated price would be a message that he was no longer interested in purchasing the adjacent parcel and would provoke a response from the City. Mr. VanCleave pointed out he has had two opportunities with major oil companies to develop the property, however the lack of collaboration to purchase the property from the City has resulted in these negotiations diminishing. Mr. VanCleave requested if the property is declared surplus and bids are requested, he would be willing to purchase the parcel at the beginning suggested price. He criticized the staff for their lack of working with him to purchase the parcel during the last three years.

Mayor Koho voiced his support for declaring the property surplus and selling it. He requested a public hearing be scheduled for the next meeting and a minimum bid be set for the purchase. Mayor Koho noted his frustrations with the lengthy process used by the City in determining the fate of this parcel.

Shannon Johnson, City Attorney explained the statute requires terms for the proposed sale be presented at the hearing. He also suggested the Council determine if they will sell the property using a bid process or market it directly with a real estate agent.

Councilor McGee pointed out the Council voted to surplus the property in November, 1995. He understood the property should have been liquidated prior to this time.

Mr. Johnson explained the public hearing is required prior to the sell of the property. He noted a public hearing on this issue was held in 1995, however due to the time span he recommended holding another hearing. The purpose of the hearing will be to determine the market value of the property and decide the terms of the sale. Mr. Johnson indicated at the hearing in 1995, the value was set at $23,000. Since this time an appraisal was done in 1998 which set the value of the parcel at $73,000. Due to the time delay and the span in the value of the parcel, Mr. Johnson recommended another hearing be scheduled.

Councilor McGee proposed holding a public hearing only if the Council wished to reconsider surplusing of the property. The terms, price, and conditions of the sale should be a management decision.

In response to an inquiry from Councilor Miller, Mr. Johnson explained a hearing is not required to declare the property surplus. By declaring the property surplus previously, the Council made an informal declaration that they did not want to keep the property and wished to sell it.

Councilor Miller pointed out the Council previously voted to sell the property to Mr. VanCleave, however the final transaction was not completed. He believed the Council should honor the prior commitment and decision to sell this parcel to Mr. VanCleave. Councilor Miller disagreed with the value placed on the property as outlined in the appraisal completed in March 1998. He indicated a .58 acre parcel, of which this .24 acre parcel was part of, was purchased by the City in 1989 for $6,410. Therefore, the value of the parcel in question at that time was $2,564. Councilor Miller noted the zoning and value of the property has changed since 1989, however the substantial increase as noted in the appraisal is inaccurate. He suggested setting the purchase price at $30,000 and begin sale negotiations with Mr. VanCleave, which should include landscaping conditions as previously discussed.

Council President Keller expressed his frustration with the process experienced in determining the outcome of this parcel of property. He pointed out this is a public asset and a hearing should be scheduled to allow public input. In addition, Council President Keller suggested another appraisal could be completed if there are questions regarding the value placed on the property. He noted he is not comfortable selling this parcel for any less than the stated appraised value at this time.

Councilor Whalen requested a compilation of the Council minutes to review the history of this issue. He indicated just after he had been elected to the Council, he attended a meeting with Mr. VanCleave, representatives of the Gubser Neighborhood Association, and Council President Keller in which a consensus was reached on the development of the parcel. Councilor Whalen believed fair market value should be received for this public asset and resolution on this issue should be reached within the next sixty days.

Responding to the points raised by Councilor Miller, Councilor McGee believed the purchase price of the parcel in 1989 is irrelevant to the true value of the parcel now. He agreed a previous decision to surplus the property and sell it to Mr. VanCleave was made; however delays have been caused by both the City and Mr. VanCleave. In retrospect, Councilor McGee believed the previous purchase price of $23,000 was unfair to the entire City. He favored scheduling a public hearing and dealing with this matter in the best interest of the citizens of Keizer.

Councilor Beach expressed his disappointment this matter has not been handled reasonably or efficiently with Mr. VanCleave. Based upon the information submitted by Mr. VanCleave, a real estate firm estimates the property is worth $4 to $6 per square foot. The parcel is 10,454 feet, which equates to a price of $62,724 at $6 per square foot. This price is relatively close to the appraised value of $73,000. Councilor Beach suggested the a purchase price be set between the $49,000 previously offered by Mr. VanCleave and the estimated value of $62,724. He also indicated this parcel of property is of the greatest value to Mr. VanCleave as the owner of the adjacent parcel. Councilor Beach pointed out Mr. VanCleave successfully operated a service station at this location for many years and using the combined parcels for this use would be a benefit to the community. He urged the Council to complete negotiations with Mr. VanCleave in an expedited manner.

Mayor Koho supported scheduling a public hearing to allow the present Council to resolve this issue. The intent of the hearing will be to sell the property using a bid process. Mayor Koho suggested a minimum bid be set at $36,500. Any opposition should be raised during the hearing.

In response to an inquiry by Councilor Whalen, Mr. Johnson explained the parcel of property is located within the McNary Activity Center and would require a conditional use permit application. Conditions of development could be attached to the sales agreement or could be dealt with in the conditional use process. This decision can be made by the Council during the hearing.

Councilor McGee believed the public hearing should decide if the parcel should be sold and at what price. He disagreed with the Mayor setting a minimum bid of $36,500.

Mayor Koho explained the purpose of the public hearing would be to determine if the parcel should be sold, and if so what method it should be sold by and the purchase price.

Mr. Johnson clarified at the hearing the nature of the proposed sale and general terms shall be disclosed.

Councilor Miller pointed out this parcel of property is odd-shaped and access is minimal. These issues should be taken into consideration when determining the value of the property.

Councilor Beach acknowledged Mr. VanCleave previously offered $49,000 for the property and therefore a lower amount should not be considered. Furthermore, the conditions of the development should be attached to the purchase agreement to protect the residents of the Gubser Neighborhood Association.

Mr. VanCleave concurred the parcel is an odd-shape and with the required setbacks, development would be limited. He believed the City should fulfill their obligation agreed upon in 1995 to sell the parcel to him for $23,000. Mr. VanCleave pointed out the $49,000 he previously offered was when he had a deal with Texaco, however this deal has vanished.

Mayor Koho announced a public hearing would be scheduled for Monday, November 16, 1998 at 7:00 p.m. He requested staff bring an offer forward from Mr. VanCleave for discussion. In addition, he requested notice of the hearing be provided to the Gubser Neighborhood Association and Jerry Watson.

Councilor Miller also requested information be provided on the square footage, dimensions, and zoning.

RESOLUTION – AUTHORIZING CITY MANAGER TO PURCHASE PROPERTY AT 4969 RICKMAN ROAD, KEIZER

Wally Mull, City Manager reported the owners of the property at 4969 Rickman Road have expressed an interest in selling this parcel to the City. A purchase price of $48,000 has been negotiated with the seller.

Mayor Koho moved a Resolution Authorizing the City Manager to Enter Into An Agreement to Purchase Property Owned by Mabel Kunz Located at 4969 Rickman Road NE, Keizer, Oregon. Councilor Beach seconded the Motion.

Councilor McGee announced this is a valuable parcel of property for the City to purchase.

The Motion passed as follows:

AYES: Beach, Christopher, Keller, Koho, McGee, Miller, and Whalen (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

CITY MANAGER PERFORMANCE EVALUATION MERIT

Councilor Whalen announced this action is based upon the review of the City Manager's job performance for the 1997-98 review period, the substantial amount of savings during this time period, and the overall approval rating by the City Council.

Councilor Whalen moved a motion that the City Manager receive a one-time compensation payment of $3150 for the job performance in the fiscal year ending June 30, 1998. Council President Keller seconded the Motion.

The Motion passed as follows:

AYES: Beach, Christopher, Keller, Koho, McGee, Miller, and Whalen (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

CONSENT CALENDAR

Items on the Consent Calendar were as follows:

a. Miracle of Christmas Noise Variance

b. Approval of May 4, 1998 Regular Session Minutes

c. Approval of June 22, 1998 Special Session Minutes

d. Approval of June 25, 1998 Special Session Minutes

e. Approval of June 29, 1998 Special Session Minutes

f. Approval of October 19, 1998 Regular Session Minutes

Council President Keller moved for approval of the items on the consent calendar. Mayor Koho seconded the Motion.

Carl Beach requested the spelling of the name of Chris Nielsen be corrected on page 5 of the October 19th, 1998 minutes.

The Motion passed as follows:

AYES: Beach, Christopher, Keller, Koho, McGee, Miller, and Whalen (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

WRITTEN COMMUNICATION

There were no written communications to be brought before the Council.

AGENDA INPUT Mayor Koho noted the agenda input items.

ADJOURNMENT The City Council meeting was adjourned at 9:32 p.m.

Tracy L. Davis

Tracy L. Davis, CMC
City Recorder

APPROVED:

____
Dennis Koho-Mayor

COUNCIL MEMBERS:

Garry Whalen
Councilor #1 - Garry Whalen

Christopher
Councilor #2 - Lore Christopher

Councilor #4 - Carl Beach

Councilor #5 - Al Miller

Jerry McGee
Councilor #6 - Jerry McGee

Council President - Jim Keller

Minutes approved:

February 16, 1999