

MINUTES OF THE WORK SESSION MEETING OF
THE SPRINGFIELD CITY COUNCIL HELD
MONDAY, SEPTEMBER 28, 2009

The City of Springfield Council met in a work session in the Springfield Justice Center Emergency Operations Center (EOC), 230 4th Street, Springfield, Oregon, on Monday, September 28, 2009 at 5:30 p.m., with Mayor Leiken presiding.

ATTENDANCE

Present were Mayor Leiken and Councilors Ralston, Lundberg, Wylie, Leezer, and Pishioneri. Also present were City Manager Gino Grimaldi, Assistant City Manager Jeff Towery, City Attorney Joe Leahy, City Recorder Amy Sowa and members of the staff.

Councilors Simmons was absent (excused)

1. Joint Work Session with Police Planning Task Force (PPTF)/Jail Tour.

Police Chief Jerry Smith presented the staff report on this item. Members of the Police Planning Task Force present were: Chair James Crist (school district liaison), and members Stacey Doll, Jack Carter, Don Moloney, and Pat Mahoney. The Police Planning Task Force was originally established in 1994 and charged with developing a long range strategic plan for police services. The PPTF was made permanent in 1996, and was charged with providing citizen input regarding police policy matters and Long Range Plan implementation strategies. The group was currently working on an update to the Long Range Plan for Police Services, and would like Council input on measures for a successful municipal jail operation.

Chief Smith said the Police had applied for three positions through the COPS grant, and were awarded only two. On Friday, they were notified that they would be awarded the third position.

Chief Smith said as they prepared to open up the new jail, staff was seeking Council approval to open up the jail for several evenings to people to exercise the system regarding security and logistics. Participants would be screened.

Mayor Leiken asked if Council needed to vote on this. No. He asked if any of the councilors had questions or objections.

Councilor Pishioneri asked if participants would sign a waiver of liability drafted by our City Attorney.

Chief Smith made note and said he would work with the City Attorney to prepare that statement.

PPTF Member Pat Mahoney presented an overview of the PPTF. She said the PPTF provided another citizen connection for the Council. The PPTF heard the Police Department's (PD) needs and advocated those needs to the Council and Budget Committee, then held the PD accountable for how those resources were used.

PPTF Chair Crist said as part of the PPTF regular meetings, each member was asked to share information regarding what was happening in their neighborhoods. He asked Council if they would like to share.

Mayor Leiken discussed the downtown corridor and the Council goal to create opportunity downtown and make it a safer place.

Chair Crist said he was the principal of Ridgeview Elementary School in Thurston. They had some issues with vandalism at the school, but had taken steps that had decreased those activities.

Councilor Lundberg said she lived by the roundabout at Pioneer Parkway and Hayden Bridge, and often heard horns honking when there were problems. She said just last week someone had tried to break into her car while it was in the garage. The suspect was caught and she was happy with the Springfield Police Department for their quick action. Neighborhoods needed to remain vigilant.

PPTF Member Doll said things had been fairly quiet in her neighborhood. She recounted a concern with an open door in a vacant house, in which Police responded.

Councilor Wylie said she had only good things to say about our Police Department. She noted concerns regarding the sudden stopping at the pedestrian walkway at the roundabout.

PPTF Member Carter said he lived across from Maple Elementary and things had been fairly quiet. There had been extra patrol officers on 21st Street since school started and traffic had slowed down.

Mr. Grimaldi said there was a wire theft problem in MountainGate.

PPTF Member Moloney said he lived on 9th and B. He noted the issue with prostitutes in the area and said the bicycle cops were one of the best additions to the Police Department. The Police knew of the problems and were on top of the situation.

Councilor Pishioneri complimented SPD (Springfield Police Department) for their work with the program regarding wire thefts, thefts of construction equipment, etc. He had seen more gang activity in the City and that was alarming. He would like to see an increase in the Law Enforcement, Gang Enforcement Team (LEGET). He liked the program created to get the graffiti painted out. He would like to see patrols in the neighborhoods. He had heard compliments from citizens regarding police response.

PPTF Member Mahoney said she lived on Scott Road, 18th and Olympic. She said things were usually pretty quite. An alarm went off at Bi-Mart and the police were there immediately. She discussed the new businesses in Mohawk and said she appreciated the positive activity those had brought.

Councilor Leezer said she lived in the area of 16th and E on a flag lot which had always felt very safe. Recently, the City had done some sewer work removing some of the fences around her home. She was originally nervous because she had always kept her gate closed, but she had no problems and had met some of her neighbors she had never met before.

Councilor Ralston said he lived on 21st and L. Wilco had been a good business. Before they moved in there was a lot of graffiti and illegal activities. Now graffiti had been taken care of immediately. He relayed an incident where his son's backpack was stolen from his unlocked car.

Mr. Moloney discussed some of the successes of the task force and PD and said the Justice Center was one of them. Since he had been on the PPTF, the primary goal was to build this facility and the jail. The jail would do more for the PD than anything else once it was up and running. He said the implementation of tasers in the PD had been excellent. He said Chief Smith provided the PPTF information on the number of times the tasers had been used, deployed or shown as a deterrent. Mr. Moloney noted the amount of technology and how that helped when there were shortages of staff. One of the technological items that had helped was the new radio system, giving the PD the ability to talk directly with Public Works. They had better communication than ever before.

Mr. Moloney talked about the passages of the past bond measure and levies. The PPTF had been strongly behind the levy and donated funds to the Political Action Committees (PAC) to make sure the levy passed for the Justice Center. The new levy coming up in 2012 would be for personnel. If the levy didn't pass, the PD would lose twenty percent of its staff, including support staff. We couldn't afford that. The Police Department shouldn't have to rely on operating levies. One of the items in the PPTF's long-range plan was to get the PD off of the operating levies. They may not be able to get there until after the jail was built and the affects known.

Ms. Mahoney discussed how they would measure the success of the jail. The short term indicators would be bail posted and fines paid. The intermediate indicators would include benefits felt by surrounding communities and the City. The long range indicators would include businesses and families wanting to move to Springfield because of a better quality of life.

Mayor Leiken said one of the things Council was trying to look at prior to the economy dropping, was the revenue from businesses in Springfield that would be coming off the tax exemption of the enterprise zone. With the current economy, those funds would be going to the General Fund, and the City would need to focus on renewal of the levies. They did need to look at how to get the police off of the levies. In 2006, Springfield voted for Springfield's levy and the Lane County levy, which showed that public safety was important to our citizens. It was now a matter of how to get the police off of the levies.

Councilor Pishioneri spoke regarding uses of force and asked for the percentage of use of force involving tasers compared to physical restraints, chemical restraints, etc. He said it seemed that tasers were taking the place of other tools that should still be available, and the other options were not being considered enough. Tasers worked well, but he didn't want to see the other tools at risk of being lost due to the use of tasers. During the City Club meeting in Eugene, representatives from a national level brought up some points regarding this issue. He would like to see documentation of taser use and how the officers determined that was the tool to use. He expressed concern regarding liability if the type of force was in question.

Mr. Moloney said the PPTF received monthly reports from the Chief of when a taser was displayed or used.

Councilor Pishioneri said some agencies that formerly used pepper spray, now no longer used it.

Chief Smith said he agreed with Councilor Pishioneri's points. The officer needed to decide whether to deal with the situation hands on or with the taser. He would do some research.

Councilor Lundberg said the PPTF was the Council's citizen front for police services. With the jail opening, a lot of what the City did would take on a new dimension. Regarding the long range

plan, she asked the PPTF to look at what would change in terms of the community growing and changing. She didn't like to be dependent on the levies for an important service like police services. She needed the PPTF's input on how to get those services off the levy. She thanked the members for the work done by the PPTF.

Chair Crist said the PD would be able to prosecute more once the jail got online. He noted that could show as an increase in criminal activity for a time as citizens may be more prone to report criminal activities knowing there would be consequences.

Councilor Leezer said it would be beneficial for the Council and PPTF to meet again after the jail had been operating for awhile to discuss the items Councilor Lundberg had mentioned.

Chief Smith said they were close to finishing the Long Range Plan and the jail was incorporated into that plan. He discussed some of the issues related to having no jail and the amount of fines not collected because there were no sanctions. The Courts were already warning offenders that the jail would be opening soon. It may be unrelated, but in 2009 there was a reduction in crime. That could be part of the economy or other factors. He thanked the citizens on the PPTF, because their work was very important to the department. The Police Department developed policy based on the best practices in the industry, but they relied on citizen input to know if those policies made sense. He discussed the taser implementation program. The PPTF had done a great job looking over the PD's policies to make sure they made sense.

Councilor Ralston said when Springfield cracked down on criminal activity, offenders would move to other communities. He noted, however, that the Jail could have a major impact on the region by providing jail spaces to other communities which could deter crimes in the whole area.

6:10 p.m. Jail Operations Supervisor Dick Golden and Detention Supervisor Dave Vargas led the Mayor, Council and staff on a tour of the jail.

7:00 p.m. the work session continued with the following item.

2. System Development Charge and Residential Fees/Charges Update.

Development Services Director Bill Grile and Assistant Public Works Director Len Goodwin presented the staff report on this item. In response to deteriorating conditions for new housing starts, in January the Council took a number of actions to allow deferring the impact of fees and charges (including SDCs) normally required for new single-family and duplex housing. Temporary measures were implemented to allow payment of these fees and charges at the time of final residential occupancy approval rather than requiring payment at the time of building permit issuance, with the program sunsetting on October 16, 2009 without further Council authorization. Staff recommended that this deferral be continued until either June 30, or the date that SDC rates were again considered.

Separately, the Council completed detailed reviews of SDCs and SDC methodologies last spring and, based on this, took action to defer implementation of *increases* for single-family dwelling and duplexes until October 16, 2009. This deferral included planned *increases* for both transportation and local wastewater SDCs. The residential fee deferral decision in January was done prior to and apart from the decision to defer the residential SDC *increases*, but the two decisions were functionally related and since both actions called for review in mid-October, it was prudent to revisit both decisions at the same time now. He noted that Willamalane followed

the City's lead in deferring their SDCs as well. Staff recommended that the increase for Transportation SDCs continued to be deferred until March 1, 2010, and that the Local Wastewater SDCs be increased to pick up about one-half of the delayed increase, with a further review on March 1, 2010.

Finally, the City was now nearing the end of a second three year period of reductions for all local SDCs for developments within the downtown area. Under that program, all downtown development was charged local SDCs at 50 percent of the established rate, with this program expiring on December 3, 2009 without further Council authorization. Staff recommended that this program be continued by allowing a 50 percent reduction through December 2, 2012.

Mr. Grile discussed the results of delaying those fees and what factors could have contributed to those results. There was not a lot of activity during the time period when these fees and charges were deferred. Staff had heard some concerns regarding the lien on properties for payment of some of those charges. Mr. Grile said he spoke with Willamalane Superintendent Bob Keefer about whether or not he thought Willamalane would follow suit if the City Council chose to defer the fees and charges for a longer period of time. Mr. Keefer felt confident the Willamalane Board would be happy to do that if that was the decision of the Council. He reiterated staff's recommendations.

Councilor Ralston asked what assumptions were made regarding income revenue from these charges when the budget was prepared.

Mr. Grile said he had not taken the deferrals into consideration during that process.

Councilor Ralston asked how much money the City had not collected that had been budgeted.

Mr. Grile said it was about \$66,000.

Mr. Grimaldi said the issue was when those funds would be collected. Most of that would come in before the end of the fiscal year.

Councilor Leezer asked Ed McMahon, HomeBuilders Association, if they had seen an increase in home sales over the last 6 months.

Mr. McMahon said they had, mostly due to the first time homebuyers tax credit that expired November 30, 2009. He felt from this month on, there could be a drop again. He didn't feel the housing market had hit bottom yet.

Mr. Goodwin said the report on SDCs was similar to that as Mr. Grile had outlined for residential fees. He referred to Councilor Ralston's question regarding the amount budgeted and said they had made no change in that because the funds should be collected within the fiscal year. They would expect that if permit fees were deferred, SDC fees would also be deferred. He reminded Council that the other issue regarding SDCs was the amount to charge. When the City increased the Transportation SDCs and the Local Wastewater SDCs, they did not increase the fees for one or two family residential building, but commercial and industrial building only. The amount not collected because of the delay in the increase of Transportation SDCs was about \$25,000. The Wastewater SDCs were a different situation. Wastewater SDCs were unusual because the local wastewater component for one and two family homes was much bigger than for anything else. The same was true regarding stormwater, although an increase in those fees had not yet been

decided on by Council. For local wastewater, the typical single family home added as much volume on the system as a reasonably sized commercial development. Based on what had been seen, the amount not collected from local wastewater SDC was closer to \$200,000 to \$500,000. He said it was hard to tell if building starts would have been as high if the fees had been increased. Many factors made it hard to determine whether or not increases would affect permits. The balance between SDCs and user rates was much more sensitive in local wastewater. Local wastewater rates were increased by 14% this year and could increase as much as 22% next year, assuming no increase in SDC revenue. If SDCs were increased, there could be some affect on the user rates. What drove our local wastewater rates was our debt service. If Council increased local wastewater SDCs by a modest amount, capital reserves would be built up which could help alleviate some of the increases in user rates. Council had directed staff to try to get to that balance of capital work imposed on development and less on existing users.

Mr. Goodwin said staff's recommendation was to increase the local wastewater rates to a mid-point between the old rate and new rate. That would put the SDC for a one-family home in the range of \$2400, rather than the original recommendation of an increase to \$3800. He explained. This was a difficult proposition, but staff was concerned that by not increasing SDCs, fees would need to be increased.

Mr. Goodwin discussed the reduction in SDCs for redevelopment in downtown. The renewal for this program would expire in December 2009. Staff recommended Council continue that program. The City had not seen a loss in revenue because of that and it could stimulate further downtown development. Given Council's focus on redevelopment in Glenwood and Downtown, renewal could be a wise choice.

Councilor Lundberg asked how much difference the downtown reduction had made for revenue. Downtown spaces were not filled due to other overriding factors keeping people outside of the downtown. She asked if Council had the option of waiving fees on a case by case basis.

Mr. Goodwin said normally they would not have the option of waiving the fees, but if a program like this was in place, they could waive or reduce. Waiving on a case by case basis could be problematic. The program did show a positive image of Council's support for downtown.

Councilor Lundberg said SDCs were difficult for businesses. She discussed the tough economic times. People just weren't building right now. She could support an increase in wastewater due to federal regulations the City was required to meet. The City was going to be short of funds anyway because the construction industry was not moving. She was supportive of deferring the fees longer.

Councilor Pishioneri asked if something could be crafted through SEDA for people looking to construct something to apply to SEDA to pay for their SDCs. That would focus some effort downtown.

Mr. Grimaldi said that could be more of a long-term solution rather than a short-term solution.

Councilor Pishioneri said he understood it would need to be long-term. He was in favor of continuing the downtown program as it was, but looking at that option.

Mayor Leiken referred to the lien issue. He asked what the typical comment was when looking at the City requirement of a lien on the property for fees.

Mr. Grile said the question was whether or not it was worth the extra effort.

Mayor Leiken said he agreed with Councilor Lundberg. The City was obligated to meet federal standards. He felt there was no need to increase the Transportation SDCs because of low activity anyway. He also agreed with Mr. McMahon about the housing market hitting bottom. He was interested in looking at the commercial side and issues around businesses getting re-appraised to a lower value. That could have a detrimental effect on the business owner. All of this was presenting a good faith scenario on the City's part. He would agree to extend the 50% discount on downtown SDCs.

Mr. Goodwin said he would bring back a resolution for Council delaying Transportation SDCs until March 1, 2010 and increasing local wastewater SDCs as recommended in the agenda packet for review on March 1, 2010. He asked if Council wanted to review the deferral on March 1, 2010 or at the end of the fiscal year.

Mayor Leiken said it would be important to let the citizens know why we need to increase our local wastewater due to federal requirements.

Mike Butler, Future B Homes, audience member, asked if all of the projects on the Capital Improvement Project list needed to be done. He referred to the sewer life station built 11 years ago, and serviced every month that was on this list. He asked if Council could go back and look at that list and rethink some of the timelines.

Mayor Leiken said we needed to make sure we were keeping our requirements under the Environmental Protection Agency (EPA).

Mr. Butler asked if he could do a presentation.

Mayor Leiken said a public hearing would be held and he would have the opportunity to speak at that time.

Mr. Goodwin said it was a 20 year project list.

Mr. Grimaldi said staff would bring all of these items back to Council as a package.

Councilor Lundberg said Council had approved the list and she felt it was legitimate to look at the list to determine what needed to be done.

Mr. Grimaldi said when staff brought back the fees, they would also bring the project list to see if adjustments needed to be made.

3. Springfield Housing Summit Report.

Assistant City Manager Jeff Towery presented the staff report on this item. The Springfield Housing Summit was appointed by the Mayor in February and was comprised of the following members: John Lively (Facilitator), Mike Butler, Debbie Davis, Tom Draggoo, Dan Egan, Phillip Farrington, Ed McMahon, Lori Palermo and Jeff Towery. Laura Potter from the HomeBuilders' Association (HBA) provided staff support for the group. The goal of the group was to: *Research and explore the possibility of establishing effective actions that could be taken*

on a local level to help stimulate the local economy and present our findings to the Springfield City Council. The group initially appeared before the Council on April 13, 2009 to hear about the group's progress to that point and to engage in a discussion about the ideas generated. Since that time the Summit had sponsored a Homebuyer's Fair, explored the possibility of a neighborhood renovation project and prepared a final report for the Council's review and consideration.

Members of the Springfield Housing Summit that were present were John Lively, Mike Butler, and Ed McMahon.

Mr. Lively said he appreciated the discussions and what the Council was trying to do regarding SDCs. He remarked that no matter how the City tried, most of the citizenry would not understand an increase in rates.

Mr. Lively thanked the Council and staff for working with the summit through this process. It had been interesting and educational and they had been able to try some things, even though things didn't actually improve economically. The things the City had done such as delaying fees, were important steps and a good message to the public that the City was trying to help. The Council agenda packet included four action items:

- (1) Participate in assisting first time and other home buyers by organizing a Springfield Homebuyers Fair during National Homeownership Month.

Mr. Lively said the attendance at the Homebuyers Fair was low, but it was encouraging to see the groups that came together (lending institutions, realtors, etc.) There was a lot of activity in the neighborhoods at the Open Houses. New partnerships were forged through this event that could be a benefit in going forward. Participants hoped to have another Homebuyers Fair.

- (2) Continue to explore the possibilities of renovating a Springfield neighborhood with green features.

Mr. Lively said there was no federal funding for the neighborhood revitalization, but new programs were being developed that could become available. The summit would like to continue to look at that option.

- (3) Utilize the information from Impact 2009 to educate the leadership and public about the effects of increased housing costs.

They looked at the long-term employment and the size of the employment pool related to homebuilding. Part of that balance was the consideration of waiving fees.

- (4) Report back to Council and request various actions to help stimulate the local economy. Waiving of fees was also an aspect of this and the fact the Council was taking that into consideration was appreciated. The group felt that collecting permit and SDC charges at occupancy was a great program and was important to alleviate the up-front costs of construction. He noted that other cities had been having similar conversations. Part of those conversations should include lowering fees in the short-term. The group also requested staff time to explore a limited time period for a remodeling program that would include reduced permit fees and SDC charges. That could be part of the conversation regarding neighborhood revitalization. The remodel market was doing more than new building. He referred to the white paper submitted to the City from the HomeBuilders Association with other options. Staff analyzed those options and provided input regarding limitations. There were very few options, but this could bring discussions to the State level. He encouraged the local officials

to be active in this effort. The tax system in Oregon was broken and could take a long time to recover. The group hoped the Springfield leaders could lead that effort.

Mr. Lively said the HomeBuilders Association, in conjunction with other agencies, was planning to develop a homebuyers informational DVD to distribute to libraries, churches, school and other related program. On behalf of all the SHS members, he thanked the Mayor and Council for the opportunity to be of service to the City.

Mayor Leiken thanked Mr. Lively for being the facilitator and for those serving on the committee. Their work had been very good. He appreciated the ongoing work they had done and the information they had provided to Council and staff.

Mr. Lively said it was unique with the collaboration of the staff and the group. He complimented City staff and Council for supporting staff to participate.

Mayor Leiken thanked Jeff Towery for attending these meetings.

Mr. Towery said the real work from the staff level was from Jodi Peterson, Housing Assistant.

Mr. McMahon also acknowledged Niel Laudati (Community Relations Manager) and his work with this group.

Councilor Lundberg referred to the neighborhood concept, which she felt went back to the Community Development Committee (CDC). She would like to go back through and look at the CDC and the neighborhood concept. If the Community Development Advisory Committee (CDAC) had a goal to look at the neighborhood as a concept, they could ask people to bring in proposals for neighborhood revitalization. There were a lot of non-profits doing it house by house. She would like to go back and look at those.

Mr. Lively said neighborhood revitalization was very positive for a community.

Mr. McMahon said there was opportunity for Department of Housing and Urban Development (HUD) funds in that area through the ARRA (American Recovery and Reinvestment Act) stimulus funds.

Councilor Wylie thanked the committee for their work. Her goal was to have a home for every family. Doing this now when times were tough, and forging alliances, would put us in good shape to take advantage when things started to pick up.

Mayor Leiken asked the committee to keep the Council in the loop regarding HUD funds, the CDC concept, etc. He felt it was things like this that we envisioned for the stimulus funding. It was important for this group to work in conjunction with the HomeBuilders Association.

Mr. Towery said staff had seen a burst of activity through the SHOP program this year compared with prior years. He noted those figures.

Mayor Leiken asked when the first time homebuyers' incentive ended.

Mr. McMahon said on November 30, 2009. There was a bill introduced into the House to extend that deadline, but he was not sure of the progress on that bill. They had also hoped to see the credit opened up to every homebuyer, but that did not make the bill.

Mayor Leiken thanked the committee for this excellent information.

Mike Butler, Future B Homes said he considered his business a Springfield builder, as they started in Springfield over thirty years ago. He noted the concern and frustration in seeing so many people in related fields that were not working or getting any business. He had done what he could to help find work for some of the people he no longer had work for. He felt it was the responsible thing to do. In Springfield, first time homes were selling, but realtors were not making a profit, but rather just making their wages. He discussed the increases in permit fees and the decrease in the selling price of homes. Parks fees also had increased and during these difficult times, there were other higher priorities. He asked Council to consider waiting on further increases.

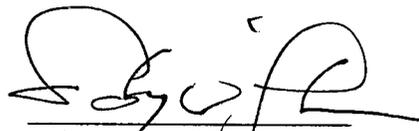
Mr. McMahon spoke regarding the SDCs and permit fees being deferred. It seemed logical to have those charges at the time of occupancy since that was when the services were utilized. Before the current recession, the local housing was the third largest employer in Lane County and we now have a 12.9% unemployment rate. One industry that could turn that around and get people back to work was the homebuilding industry. Every \$1000 increase in the cost of a home, eliminated several people from qualifying to buy that home. In the past, the builders passed the cost onto the homebuyers, but that couldn't happen anymore. He encouraged Council and citizens to go up to Salem and ask the State legislators to fix the system. To fix it correctly, we needed a new taxing structure.

Mr. McMahon thanked the Council again for the opportunity to serve. He discussed the figures regarding the number of people that had used the deferral and how just one builder had made that figure lower because they did not use banks. If we really wanted to stimulate the economy, the City could take a six month period and offer a reduced SDC amount. He felt that could get some people out there building again and homebuyers coming to Springfield.

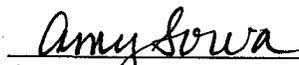
ADJOURNMENT

The meeting was adjourned at 8:00 p.m.

Minutes Recorder – Amy Sowa


Sidney W. Leiken
Mayor

Attest:


Amy Sowa
City Recorder